



CRIME INSURANCE APPLICATION

ZURICH INSURANCE COMPANY

PLEASE NOTE: This application and all exhibits attached shall form a part of this proposal and shall be held in strictest confidence.

The following material must be attached to this application (if applicable):

1. Complete copies of the Parent Company's last three audited financial statements with notes. If not consolidated, provide financial statements on each consolidated entity.
2. Complete copies of the Parent Company's corporate compliance program or guidelines or similar procedures and the Insured's code of conduct rules.
3. The latest CPA letter to management relating to internal controls and any written response thereto.

Please indicate if any of the materials requested above are not attached to this application and the reason why.

This application is submitted by:

Insurance Agency/Agent: _____

Address: _____

Please submit this completed proposal Application with all attachments to:

Zurich-American Specialties
Executive Assurance Department
One Liberty Plaza, 30th Floor
New York, New York 10006

Please answer all of the following questions and indicate if a question is not applicable:

1. GENERAL INFORMATION

- a) Name of Parent Company _____
- b) Address _____
- c) State of Incorporation _____
- d) Date Established _____
- e) Policy Period Requested: From _____ To _____

2. OPERATIONS / EMPLOYEES

- a) Please list the type of operations in each country:

United States _____
Canada _____
All Other _____

- b) Please list the number of locations in each country:

United States _____
Canada _____
All Other _____
Total _____

- c) Please list the total sales or revenues in each country:

United States \$ _____
Canada \$ _____
All Other \$ _____
Total \$ _____

- d) Please list the number of Class 1 employees in each country. For the purpose of premium computation, Class 1 employees include management positions (president, comptroller, sales managers, etc) and other employees who have access to money, securities and/or other property (cashiers, bookkeepers, shipping clerks):

United States _____
Canada _____
All Other _____
Total _____

- e) Please list the number of all other employees (excluding Class 1 employees) in each country:

United States _____
Canada _____
All Other _____
Total _____

3. LOSS EXPERIENCE

List all employee theft, burglary, robbery and forgery, all computer theft, all funds transfer fraud of money or securities, and all destruction, disappearance or wrongful abstraction of money or securities within, from or outside any premises, banking premises or night depository chute or safe maintained by any bank or trust company:

Date of Loss _____	Total Amount \$ _____
Date of Loss _____	Total Amount \$ _____
Date of Loss _____	Total Amount \$ _____
Date of Loss _____	Total Amount \$ _____

Please attach details of all losses and disclose that part of any loss covered by insurance as well as any additional amount incurred by the Company.

4. AUDITS

- a) Are the Parent Company's books/financial statements audited by an independent C.P.A.? _____ If yes, by whom and how often? _____
- b) Are these audits complete and unqualified? _____ If no, describe the limitations: _____

- c) Are these audits made for each entity to be covered? _____ If no, explain: _____

- d) If an independent C.P.A. is not retained, who is responsible for auditing the Parent Company's books / financial statements? _____ Briefly explain the scope and limitations of such audit: _____

- e) Does the audit include all locations? _____ If no, what locations are excluded and why? _____

5. INVENTORY CONTROL

Is a complete inventory made with physical check of stock and equipment? _____ If yes, by whom and how often? _____

6. BANK ACCOUNT CONTROL

- a) Do the employees who reconcile the monthly bank statements also either:
 - (1) sign checks _____
 - (2) handle deposits _____ or
 - (3) have access to check signing machines or signature plates _____
- b) Is countersignature of checks required? _____ Over what limit? _____

7. COMPUTER CONTROL

- a) Are pre-authorization controls maintained for all programmers and operators? _____
- b) Are the duties of programmers and operators separated? _____
- c) Is the output reconciled by persons who do not prepare or process the input? _____
- d) Do audit practices include "tests" to detect unauthorized programming changes? _____
- e) Are computerized check writing operations segregated from departments that authorize checks? _____

8. SECURITIES

- a) State the value of negotiable securities owned or held (If none, so state): _____
- b) Where are the securities kept? _____
- c) If safe deposit boxes are used, has the bank been instructed to require that two individuals be present before entry to any box is permitted? _____ If no, identify by name and position those having access: _____

9. PRECIOUS METALS

Is there an exposure of precious metals or stones (such as gold, silver, copper, platinum, industrial diamonds or similar high-value materials)? _____ If yes, attach a separate listing of exposures, identify each location, describe security controls and state a maximum value at each location.

10. EMPLOYEE BENEFIT PLANS

Attach a separate sheet listing the names of employee benefit plans required to be bonded by Title 1 of the Employee Retirement Income Security Act for which coverage is requested. If no plans are to be covered, so state: _____

11. MONEY, SECURITIES & PAYROLL EXPOSURE

- a) What is the maximum amount at any one location:
 - Money \$ _____
 - Checks \$ _____
 - Negotiable Securities \$ _____
- b) What is the maximum amount transported from any one location by a method other than an armored motor vehicle:
 - Money \$ _____
 - Checks \$ _____
 - Negotiable Securities \$ _____
- c) Please attach details of security controls for any one location with significant cash exposure.

12. PRIOR INSURANCE (This section does not need to be completed if this application is for the renewal of a Crime Insurance Policy issued by Zurich Insurance Company)

Does the Parent Company or any affiliated organization currently have crime insurance coverage? _____ If yes, answer the following:

- a) Current Insurer _____
- b) Limit of Liability _____
- c) Deductible _____
- d) Premium _____
- e) Policy Period: From _____ To _____
- f) Number of years of uninterrupted coverage with current insurer _____
- g) Has the Parent Company, a subsidiary or any proposed Insured given written notice under the provisions of any prior or current crime insurance policy of a loss or of an occurrence which may become a loss? _____ If yes, please attach details.
- h) Have any loss payments been made on behalf of the Parent Company under any crime insurance policy or similar insurance policy? _____ If yes, please attach details.
- i) Have any Insurers indicated an intent not to offer renewal terms? _____ If yes, please attach details.

13. FALSE INFORMATION

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime in certain jurisdictions.

14. DECLARATION AND SIGNATURE

The undersigned declares that to the best of his or her knowledge and belief the statements set forth herein are true. The signing of this application does not bind the Underwriter, the Parent Company, or the proposed Insureds to effect insurance. The undersigned agrees that this application and its attachments shall be the basis of the contract should a policy be issued and shall be deemed attached to and shall form part of the policy. The Underwriter is hereby authorized to make any investigation and inquiry in connection with this application that it deems necessary.

The undersigned, on behalf of all proposed Insureds, agrees that if the information in the declarations, representations and statements contained in this application and its attachments materially changes between the date of this application and the inception of the proposed coverage, the undersigned will immediately report in writing to the Underwriter such change, and the Underwriter may withdraw or modify any outstanding quotations or agreements to bind coverage. The undersigned acknowledges and agrees that the Underwriter's receipt of such written report, prior to inception of the proposed coverage, is a condition precedent to coverage.

NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

This application must be signed by the Risk Manager or other person responsible for purchasing insurance.

Signature _____ Title _____ Date _____