

# Crime Proposal Form

## Instructions to the Applicant

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'Applicant' refers to the organisation completing the proposal form and all of its subsidiaries and associated companies as defined in the policy.

### Completing the Proposal Form:

Please note that this proposal form is to be completed by the Applicant on behalf of all the Insureds to be covered and as defined in the Policy. The reference to Applicant means the Principal Organisation and its Subsidiaries, as defined in the Policy.

1. Please read the Statutory Notice on pages 1 to 4.
2. Answer all questions completely, leaving no blanks.
3. If the answer to any question is 'No' and/or there is insufficient space to complete any of the answers, please provide further details on Page 17 or attach a separate signed and dated sheet and identify the question number concerned.

### Please enclose with this Proposal Form:

- Internal Auditors Audit Plan for the current year;
- Most recent audited financial statement;
- CPA management letter on internal controls and management's response; and
- All requested underwriting information and attachments (including Addendum(s), if relevant).

## Statutory Notice

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For the purposes of this statutory notice, Chubb Insurance Australia Limited ABN: 23 001 642 020 AFSL: 239687 means "we", "us" and "our".

### Duty of Disclosure

#### *Your Duty of Disclosure*

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

#### *What you do not need to tell us*

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

#### *If you do not tell us something*

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

### Where your policy is claims made and notified the following will apply

If your policy, or a part of your package policy, provides cover on a claims made or claims made and notified basis, the following two sections will apply, but not otherwise.

### *Claims Made And Claims Made And Notified Coverages*

These coverages apply only to claims that are either first made against you during the period of insurance or both first made against you and notified to us in writing before the expiration of the period of the insurance cover provided by your policy. If your Policy does not have a continuity of cover provision or provide retrospective cover then your Policy may not provide insurance cover in relation to events that occurred before the contract was entered into.

### *Notification Of Facts That Might Give Rise To A Claim*

Section 40(3) of the Insurance Contracts Act 1984 (Cth) (“ICA”) only applies to the claims made and the claims made and notified coverages available under your policy.

Pursuant to Section 40(3) of the ICA, and only pursuant to that section, if you give notice in writing to us of facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of such facts but before the insurance cover provided by your policy expires, then we are not relieved of liability under your policy in respect of the claim, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by your policy.

### **Other Important Information**

#### *Subrogation*

You may prejudice your rights with regard to a claim if, without prior agreement from us (such agreement not to be unreasonably withheld or delayed), you make agreement with a third party that will prevent us from recovering the loss from that, or another party.

Your policy contains provisions that either exclude us from liability, or reduce our liability, if you have entered into any agreements that exclude your rights to recover damages from another party in relation to any loss, damage or destruction which would allow you to sustain a claim under your policy.

#### *Utmost Good Faith*

Every insurance contract is subject to the doctrine of utmost good faith which requires that all parties to the contract, including third parties, should act toward each other with the utmost good faith. Failure to do so on your part may prejudice any claim or the continuation of cover provided by us. Our failure to do so could result in a civil penalty.

#### *Not a Renewable Contract*

Cover under your policy will terminate at expiry of the period of insurance specified in your policy document. If you wish to effect similar insurance for a subsequent period, it will be necessary for you to complete a new proposal form prior to the termination of your current policy so that terms of insurance and quotation/s can be agreed.

#### *Change of Risk or Circumstances*

It is vital that you advise us as soon as reasonably practicable of any departure from your “normal” form of business (i.e. that which has already been conveyed to us).

For example, acquisitions, changes in location or new overseas activities. Please refer to the territory clause of your policy and the sanctions limitations contained within your policy. You can contact us using the below details under ‘Contact Us’.

### **General Insurance Code of Practice**

We are a signatory to the General Insurance Code of Practice (Code). The objectives of the Code are to further raise standards of service and promote consumer confidence in the general insurance industry. Further information about the Code and your rights under it is available at [codeofpractice.com.au](http://codeofpractice.com.au) and on request. As a signatory to the Code, we are bound to comply with its terms. As part of our obligations under Parts 9 and 10 of the Code, Chubb has a [Customers Experiencing Vulnerability & Family Violence Policy](#) (Part 9) and a [Financial Hardship Policy](#) (Part 10).

## Privacy Statement

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In this Statement “We”, “Our” and “Us” means Chubb Insurance Australia Limited (**Chubb**).

“You” and “Your” refers to Our customers and prospective customers as well as those who use Our Website.

This Statement is a summary of Our Privacy Policy and provides an overview of how We collect, disclose and handle Your Personal Information. Our Privacy Policy may change from time to time and where this occurs, the updated Privacy Policy will be posted to [Our website](#).

Chubb is committed to protecting Your privacy. Chubb collects, uses and retains Your Personal Information in accordance with the requirement of the *Privacy Act 1988* (Cth) and the Australian Privacy Principles (APPs), as amended or replaced from time-to-time.

### Why We collect Your Personal Information

The primary purpose for Our collection and use of Your Personal Information is to enable Us to provide insurance services to You.

Sometimes, We may use Your Personal Information for Our marketing campaigns and research, in relation to new products, services or information that may be of interest to You.

### How We obtain Your Personal Information

We collect Your Personal Information (which may include sensitive information) at various points including, but not limited to, when You are applying for, changing or renewing an insurance policy with Us or when We are processing a claim. Personal Information is usually obtained directly from You, but sometimes via a third party such as an insurance intermediary or Your employer (e.g. in the case of a group insurance policy). Please refer to Our Privacy Policy for further details.

When information is provided to Us via a third party We use that information on the basis that You have consented or would reasonably expect Us to collect Your Personal Information in this way. We take reasonable steps to ensure that You have been made aware of how We handle Your Personal Information.

### When do We disclose Your Personal Information?

We may disclose the information We collect to third parties, including:

- the policyholder (where the insured person is not the policyholder, i.e., group policies);
- service providers engaged by Us to carry out certain business activities on Our behalf (such as claims assessors, call centres in Australia, online marketing agency, etc);
- intermediaries and service providers engaged by You (such as current or previous brokers, travel agencies and airlines);
- government agencies (where We are required to by law);
- other entities within the Chubb group of companies such as the regional head offices of Chubb located in Singapore, UK or USA (Chubb Group of Companies); and
- third parties with whom We (or the Chubb Group of Companies) have sub-contracted to provide a specific service for Us, which may be located outside of Australia (such as in the Philippines or USA). These entities and their locations may change from time-to-time. Please contact Us, if You would like a full list of the countries in which these third parties are located.

In the circumstances where We disclose Personal Information to the Chubb Group of Companies, third parties or third parties outside Australia We take steps to protect Personal Information against unauthorised disclosure, misuse or loss.

### Your decision to provide Your Personal Information

In dealing with Us, You agree to Us using and disclosing Your Personal Information, which will be stored, used and disclosed by Us as set out in this Privacy Statement and Our Privacy Policy.

### Access to and correction of Your Personal Information

Please contact Our customer relations team on 1800 815 675 or email [CustomerService.AUNZ@chubb.com](mailto:CustomerService.AUNZ@chubb.com) if You would like:

- a copy of Our Privacy Policy, or
- to cease to receive marketing offers from Us or persons with whom We have an association.

To request access to, update or correct Your Personal Information held by Chubb, please complete this [Personal Information request form](#) and return to:

Email: [CustomerService.AUNZ@chubb.com](mailto:CustomerService.AUNZ@chubb.com)

Fax: +61 2 9335 3467

Address: GPO Box 4907 Sydney NSW 2001

### How to Make a Complaint

If You have a complaint or would like more information about how We manage Your Personal Information, please review Our [Privacy Policy](#) for more details, or contact:

Privacy Officer

Chubb Insurance Australia Limited

GPO Box 4907 Sydney NSW 2001

+61 2 9335 3200

[Privacy.AU@chubb.com](mailto:Privacy.AU@chubb.com).

## A. General Information

1. Name of Applicant:

2. Applicant's address:

3. Date established:

4. Requested Limit of Liability:

\$

Requested Deductible Amount:

\$

5. Provide a description of the Applicant's operations:

6. Please complete the following:

List countries in which you have operations	Type of operation	Number of locations	Number of employees	Revenues
				\$
				\$
				\$
				\$
				\$
				\$
<b>Total</b>				\$

7. Please provide details of any mergers or acquisitions in the past twelve (12) months including the following information:

- a) Name of company acquired
- b) Date of transaction
- c) Description of operations acquired
- d) Annual revenues
- e) Number of employees

8. Does the Applicant provide any lease financing in the course of its business?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Have policies been published and distributed to all employees regarding a code of ethics, conflicts of interest and gifts and gratuities?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Does the Applicant have precious metals/gemstones exposure? If Yes, please complete Addendum Part A.	<input type="checkbox"/> Yes <input type="checkbox"/> No

## B. Specific information

### Human Resources and Payroll

1. Is the following pre-employment screening conducted prior to hiring in all business units, both domestically and internationally:	
a) Criminal history record checks in all jurisdictions in which the prospective employee has lived for the last five (5) years?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Reference checks with all prior employers during the last five (5) years?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Credit check (if access to cash or control/input of financial transactions)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Are the following payroll controls in place at all domestic and international operations:	
a) Are management policies and computer system controls in place to prevent persons who approve new hires from adding them into the payroll?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Are additions to the payroll system automatically reported via the computer system to a HR manager who reconciles payroll changes with new hire documentation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Are managers periodically provided with the names and salaries of all employees assigned to them for verification?	<input type="checkbox"/> Yes <input type="checkbox"/> No
d) Does the audit department have a program in place to detect possible ghost employees and is the payroll system audited at least annually?	<input type="checkbox"/> Yes <input type="checkbox"/> No
e) Is the IT department and accounting department restricted from any access to the payroll computer system?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Use this space to comment on any questions where the response is No:

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### Auditing Procedures

1. Internal Auditing:			
a) How many professionals are in your internal audit department?	Currently:		Three (3) years ago:
b) Does the audit department receive automatic exception reports on suspect financial transactions and financial trends?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
c) Does the audit schedule include all locations of subsidiaries and joint ventures?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
d) Are audit reports furnished to senior management and the board of directors with all recommendations prioritised by the level of risk they pose to the Applicant?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
e) Please attach a copy of the current year's audit plan from the internal auditors.			

2. External Auditing:	
a) Does an independent CPA annually provide you a management letter?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please attach the most recent copy and management's response.	
b) Is each corporate location subjected to periodic external audits?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Are audit reports furnished to senior management and the board of directors?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Use this space to comment on any items where the response is No:

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### Wire Transfers (WT)

1. Has separation been established between authority to initiate and approve a WT?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Have approval authorities been established in writing and are they current?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Are WTs reconciled daily by a person who did not approve or transmit such WTs?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Are international and domestic WT procedures and controls consistent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Use this space to comment on any questions where the response is No:

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### Purchasing Controls

1. Are levels of purchasing authority established in writing throughout your organisation?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has a numbered purchase order system been implemented and is it being followed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has an approved master vendor list been established?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Are procedures in place to verify the existence and ownership of all new vendors prior to adding them to the authorised master vendor list?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, is "due diligence" conducted by someone other than the person requesting such addition or with authority and/or ability to add the vendor to the master list?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Does the purchasing system automatically produce exception reports to notify management and auditing of potential fraudulent transactions or trends?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Are international and domestic purchasing procedures and controls consistent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Use this space to comment on any questions where the response is No:

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### Account Payable Controls

1. Are all invoices verified against a corresponding purchase order, receiving report, and authorised master vendor list prior to issuing payment?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Are invoices, purchase orders, and check runs reconciled daily by an independent party?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Are cheque signing authorities and dual control requirements established in writing?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Are blank and cancelled cheques stored under dual control with access documented?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Is a perpetual inventory in place for blank cheques and are daily inventories taken?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Is a monthly reconciliation conducted of all bank accounts by someone who does not handle deposits, sign cheques or have access to electronic or mechanical signatures?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Does the accounts payable system automatically produce exception reports to notify management and auditing of potential fraudulent transactions or trends?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Are international and domestic accounts payable procedures and controls consistent?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Use this space to comment on any items where the response is No:

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## Inventory Controls

1. Is a perpetual inventory maintained for:

a) Stock, including raw materials, and manufacturing components?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
b) Manufactured or finished goods?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
c) Scrap?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Do inventory procedures enable accurate accounting of all inventory items listed above at each stage of the manufacturing or production process?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Are daily cycle counts conducted on inventory items?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
4. Are physical inventory counts conducted at least annually and reconciled with the perpetual inventory system?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes:	a) Is the reconciliation performed by someone not associated with the control of the physical inventory?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	b) Are inventory variances outside established parameters reported to auditing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5. Does the Applicant use precious metal, stone or other high value items in the manufacturing or processing of goods?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
If Yes:	a) Is access to such materials restricted, physically controlled and monitored?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If Yes, please provide details of such controls:		
	b) Are daily inventories conducted of all high value items?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
c) Please provide the average:		and maximum value:	
			at each location.
6. Are international and domestic inventory procedures and controls consistent?		<input type="checkbox"/> Yes	<input type="checkbox"/> No

Use this space to comment on any questions where the response is No:

## Money and Securities Control

1. State the value of negotiable securities owned or held:	\$	<input type="checkbox"/> N/A				
2. Where are the securities kept?						
3. If safe deposit boxes are used, has the bank been instructed to require that two (2) authorised individuals be present before entry to any box is permitted?	<input type="checkbox"/> N/A	<input type="checkbox"/> Yes <input type="checkbox"/> No				
If No, please provide details:						
4. What is the maximum amount held at or transported from any one (1) location?						
Cash:	\$	Cheques:	\$	Negotiable Securities:	\$	<input type="checkbox"/> N/A
5. Do you hold or store any virtual currency?		<input type="checkbox"/> Yes	<input type="checkbox"/> No			
If Yes:	a) Please provide the Name of the virtual currency held					
	b) Please provide total number of tokens of each virtual currency held					

6. Do you have virtual currency stored on any online exchanges?	<input type="checkbox"/> Yes <input type="checkbox"/> No
a) If Yes, please provide details of the exchange and the tokens held on each exchange	
b) If No, please provide details about how your virtual currency/private key is stored and how access is controlled:	

### Computer Systems Protection

1. Are access controls designed so that users cannot gain access to programs and files to which they have not been specifically granted access through a formal procedure?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Have computer access controls been implemented that include the following:	
a) Passwords are required to be alpha/numeric and 6-9 characters (system enforced)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Are user IDs automatically revoked upon separation of employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Are password files encrypted for all applications and is access restricted?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Are business-to-business or business-to-consumer transactions performed over the internet?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes:	
a) Are firewalls configured to restrict all IP communications except those necessary to conduct business and are firewall security patches current?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Is firewall port scanning and penetration testing conducted regularly?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Were web-based applications independently tested for security vulnerabilities prior to, or at the time of deployment and have they been similarly tested whenever the applications have been modified?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Regarding Intrusion Detection Systems, is network-based and host-based IDS software installed and are all patches current?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Are B-2-B and B-2-C procedures, systems, and controls the same for domestic and international operations?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Do you have a formal process for authenticating all transactions done electronically prior to shipping product or authorising payment?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Use this space to comment on any questions where the response is No:

### Client Services

1. Do any clients require the Applicant to be bonded or carry Crime insurance?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the Applicant have custody or control over any funds, accounts, or materials of any of its clients?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No

If Yes, please provide details and specify the amount:

3. Do the Applicant's employees have access to any client's accounting, payroll or purchasing systems?	<input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No
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### Social Engineering Fraud

1. Does a Social Engineering Fraud risk management strategy exist and has the Applicant informed and alerted relevant staff at all locations of Social Engineering Fraud? Social Engineering Fraud includes Fake President Fraud, Payment Diversion Fraud and Customer/Management Impersonation Fraud.	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the Applicant have a process in place at all locations where all unusual payment instructions purporting to come from the Applicant's senior management are followed up by call backs to senior management at a previously known and pre-designated phone number to confirm payment instructions and check authenticity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Does the Applicant have a process in place at all locations where requests for authentication of bank account details or for information on bank account details purporting to come from bank officials are raised with the Applicant's senior management and followed up with previously known bank contacts to confirm authenticity of such requests?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Does the Applicant have a process in place at all locations where instructions to change bank account details purporting to come from vendors and suppliers are followed up by call backs to vendors and suppliers at a previously known and pre-designated phone number to confirm instructions to change bank account details and check authenticity?	<input type="checkbox"/> Yes <input type="checkbox"/> No



### Social Engineering Fraud (continued)

5. Does the Applicant have a process in place at all locations where senior management approval is always required before a change to vendor and supplier bank account details is processed, such approval being given after review of the underlying request and the record of its verification?  Yes  No

6. Does the Applicant have a process in place at all locations where all bank statements are independently reconciled by persons not authorised to deposit or withdraw funds, issue funds transfer instructions or dispatch funds to customers?  Yes  No

7. Does the Applicant's email server and/or internet service provider (ISP) use any authentication methods at all locations?  Yes  No

If Yes, please list:

8. Does the Applicant use a third party software product to enhance email authentication procedures at all locations?  Yes  No

If Yes, please list:

Use this space to comment on what other controls the Applicant applies to any questions where the answer is No:

### C. Loss Experience

List all employee theft, burglary, robbery, forgery, computer fraud or other crime losses discovered by the Applicant in the last five (5) years, itemising each loss separately:  Cross if none

Date of Loss	Description of Loss (Include controls that were circumvented, controls that were missing and steps taken to remediate the causes of the loss)	Total Amount of Loss	Please indicate whether or not the loss was covered under another insurance policy and include the insurer's name	
			Covered	Insurer's Name
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	
		\$	<input type="checkbox"/> Yes <input type="checkbox"/> No	

## D. Stamp Duty

Please state the total number of employees located in the following states and overseas:

NSW	VIC	QLD	SA	WA	ACT	NT	TAS	O/S

## E. GST

1. What is the Applicant's Australian Business Number?

2. Does the Applicant intend to claim an Input Tax Credit for the premium of the proposed policy if provided?

Yes  No

If Yes, to what extent is an Input Tax Credit being claimed by any and which Applicants? (e.g. answer - full claim or %)?

**Note: It is Chubb's intention to apply GST in accordance with the Input Tax Credit claimed by the Applicant.**

## F. Declaration and Signature

The undersigned authorised officers of the Applicant declare that to the best of their knowledge and belief the statements made in this proposal and all attachments and schedules to this proposal are true and notice will be given as soon as reasonably practicable should any of the above information change between the date of this proposal and the proposed date of inception of the insurance. Although the signing of the proposal does not bind the undersigned, on behalf of the Applicant, to effect insurance, the undersigned agree that this proposal and all attachments and schedules to this proposal and the said statements in this proposal shall be the basis of and will be incorporated in the policy should one be issued.

The undersigned, on behalf of the Applicant, acknowledge that the Statutory Notice contained in this proposal has been read and understood.

This proposal must be signed by the Applicant's Chairman of the Board, Managing Director or Chief Executive Director.

Signed			
Title		Date	

## Addendum Part A - Precious Metals

### A. Specific Information

1. Name of Applicant:

2. Provide a brief description of your operations and how precious metals are involved:

3. Please state the total annual amount (in ozs.) of precious metal or stones used, sold, and/or produced:

a) Gold:

b) Silver:

c) Platinum:

d) Diamonds:

e) Other:

4. What form does the precious metal take (list by percentage of total amount):

5. Values at risk:

a) During the preceding twelve (12) month period, what was the maximum value of precious metals on premises?

\$

b) During the preceding twelve (12) month period, what was the average value of precious metals on premises?

\$

c) What is the estimated average precious metals value expected to be during the next twelve (12) month period?

\$

6. a) How many employees have access to precious metals?

b) What is the least number of employees on premises during normal business hours?

### B. Vault

#### Construction and Security

1. Describe the vault's:

a) Dimensions:

b) Wall Construction:

c) Floor Construction:

d) Ceiling Construction:

e) Door Construction:

2. Is vault rated by the ECB-S for burglary resistance?

Yes  No

If Yes, what is the rating?

3. Is the Vault door equipped with:

a) Key locks?

Yes  No

b) Combination locks?

Yes  No

4. Is the vault door equipped with a time lock?

Yes  No

5. Is the vault protected by a central station alarm?

Yes  No

6. Is the alarm connected to a:	
a) Central station?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Police station?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Local alarm?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Is the alarm certified?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, please attach copy of certificate.	
8. Does the central station alarm company and/or police department hold keys to your premises for use in responding to an alarm?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Does the alarm completely protect the vault?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Are all vault floors, ceilings and walls independent of building floors, ceilings and walls?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If No, please give details:	
11. Does the vault share floors, walls or ceilings with any other vault?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please give details:	

### Value in Vaults

1. What is the maximum value of precious metals in bullion, foil or other pure metal form which will be out of the vaults during:	
a) Working hours:	\$
b) Non-working hours:	\$
2. What is the maximum value of precious metals in forms other than bullion, foil or other pure metal form which will be out of the vaults during:	
a) Working hours:	\$
b) Non-working hours:	\$
3. Is the vault kept locked during working hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. How many people have keys or combinations to the vault?	
5. If there is more than one (1) lock, how many people have all keys or combinations to the vault?	

### C. Control Procedures

1. How are the precious metals transported outside the premises?	
2. Are precious metals weighed when placed in the vault/safe?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Are precious metals weighed when removed from the vault/safe?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Is a register maintained of movements of precious metals?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes:	
a) Does the register indicate who precious metals are received from or delivered to?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Is the register maintained as a permanent record?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Is a receipt issued to the person delivering precious metals to the vault?	<input type="checkbox"/> Yes <input type="checkbox"/> No

6. Is the vault custodian given a receipt for precious metals released from their custody?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Are receipts retained as a record?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Is an inventory control record maintained to record deliveries in and out of the premises?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes:	
a) Is the inventory control record maintained by someone other than the vault custodian?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) How frequently is physical inventory conducted?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Is the physical inventory conducted under the close supervision of someone other than the vault custodian or the inventory control clerk?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Is there a full accounting of precious metals finished product and scraps at the end of each day?	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. How are the scraps and waste controlled:	
a) Are they controlled by the same procedures as apply to unused precious metals?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) Are they weighed with a record maintained, before they are processed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) Are they weighed with a record maintained, after they are reprocessed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
d) Are the records reconciled to ensure that shrinkage is held to a minimum?	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. Have there been any shortages of precious metals in the past five (5) years?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes:	
a) Please indicate the amount of shortage for each year:	
b) Do you consider these shortages within normal standards?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If No, please give reasons:	
c) What steps have been taken to reduce shortage to a minimum?	
13. Does the Applicant use the services of a commodity exchange either as a member or as a client?	<input type="checkbox"/> Yes <input type="checkbox"/> No

## D. Premises

1. Is the location:		
a) Fenced?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
b) Lit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
c) Attended to at all times?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2. Are guards employed?		
<input type="checkbox"/> Yes <input type="checkbox"/> No		
If Yes:		
a) Please state:		
Number of Guards Employed	Working Hours	Non-Working Hours
b) Are they armed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
c) If the premises are closed, do they make regular rounds?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
d) If on duty at night, are they required to signal an outside central station alarm company at regular intervals?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

3. Are employees required to pass through a metal detector prior to exiting the location?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Are windows barred?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. How many entrances are open to the public?	
6. Is the location protected by a certified central burglar alarm?	<input type="checkbox"/> Yes <input type="checkbox"/> No

If yes, please provide details:

7. Are there hold-up buttons:	
a) In the restricted area?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b) In the vault?	<input type="checkbox"/> Yes <input type="checkbox"/> No
c) In a supply room?	<input type="checkbox"/> Yes <input type="checkbox"/> No
d) At a switchboard?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Is there a metal detector outside the restricted area?	<input type="checkbox"/> Yes <input type="checkbox"/> No

If No, please describe procedures used to eliminate the possibility of surreptitious removal of precious metals from premises?

9. Has a closed circuit TV surveillance system been installed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, is the system monitored constantly?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, by whom?	
If No, to what extent?	
10. Is there have an emergency plan in place for the high security area?	<input type="checkbox"/> Yes <input type="checkbox"/> No

**E. Transit**

1. For bullion of similar concentrated form, state the mode of transportation between:	
a) Mine and smelter:	
b) Smelter and refinery:	
c) Refinery and mint:	
d) Refinery and Processor:	
e) Other:	
2. If transported by the Applicant, are guards provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Are public truckmen are used?	<input type="checkbox"/> Yes <input type="checkbox"/> No

If Yes, please provide name and protection:

4. Describe what declaration of value is made to carriers:	
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5. What is the value on any one (1) shipment:

a) Average:	\$
b) Maximum:	\$

6. What bullion is sold and what are the terms of delivery?

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7. Is bullion shipped by registered mail?

Yes  No

If Yes, what is the distance from mine to post office:

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8. For Anodes and similar form, describe method of transportation:

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### F. Consultants

1. Does the Applicant employ an outside security consultant?

Yes  No

If Yes, please provide name:

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2. What is the extent of the security consultant's activities?

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### G. Signature

Signature

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Date

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## Addendum Part B - Commercial Crime

### A. Size of the Exposure

1. What is the average number of trust accounts maintained?	
2. What is the total amount of funds that flows through the trust accounts annually?	
3. What is the maximum amount of client funds in trust?	
4. What is the average size of client funds in trust?	

### B. Control Environment

1. Please provide a description of internal controls utilised to protect client funds from misappropriation (including procedures with respect to the receipt and deposit of cheques; withdrawal/fund release procedures; wire transfer procedures; safekeeping of trust documents; audit procedures):

2. Does the Applicant require that outgoing payments or funds transfers be subject to dual authorisation by at least one partner or executive?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If No, is there a specific amount over which dual authorisation is required?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, what is the amount?	\$

### C. Social Engineering Fraud Verification

1. Does the Applicant confirm all changes to vendor/supplier and client details (including routing numbers, account numbers, telephone numbers and contact information) by a direct call using only the contact number previously provided by the vendor/supplier or client before the request was received?	<input type="checkbox"/> Yes <input type="checkbox"/> No
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Space for any 'No' answers, if any question provides insufficient space to provide an answer, or additional information:

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## About Chubb in Australia

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Chubb is the world's largest publicly traded property and casualty insurer. With operations in 54 countries and territories, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. The company is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London, Paris and other locations, and employs approximately 33,000 people worldwide.

Chubb, via acquisitions by its predecessor companies, has been present in Australia for 100 years. Its operation in Australia (Chubb Insurance Australia Limited) provides specialised and customised coverages, including Business Package, Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities, as well as Accident & Health insurance, to a broad client base, including many of the country's largest companies. Chubb also serves successful individuals with substantial assets to insure as well as individuals purchasing travel and personal accident insurance. With five branches and more than 800 staff in Australia, it has a wealth of local expertise backed by its global reach and breadth of resources.

More information can be found at [www.chubb.com/au](http://www.chubb.com/au).

## Contact Us

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