

# Application for Crime and Kidnap/Ransom and Extortion Coverage

**RLI**

RLI Insurance Company  
Peoria, Illinois 61615

**Note: If Kidnap/Ransom and Extortion Coverage is the only coverage being requested, please complete Sections 1, 2 and 3 only.**

**1. GENERAL INFORMATION**

**Parent Company:**

\_\_\_\_\_

**Address:**

\_\_\_\_\_

State of Incorporation: \_\_\_\_\_ Date Established:

\_\_\_\_\_

**Nature of Business:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Crime Limits Requested: \$ \_\_\_\_\_

Kidnap/Ransom & Extortion Limits Requested: \$ \_\_\_\_\_

**Policy Period** requested: from: \_\_\_\_\_ to \_\_\_\_\_

Officer of the **Parent Company** designated to receive any and all notices from the Insurer or the Insurer's authorized representative(s) concerning this coverage:

\_\_\_\_\_

	Number of Locations	Annual Sales or Revenues	Class I Employees*	All Other Employees
U.S.		\$		
Canadian		\$		
Other		\$		
Total		\$		

**\*Class I Employees:** For the purposes of premium computation Class I **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, etc.).

**2. EMPLOYEES OUTSIDE U.S. OR CANADA**

Country	Number of Employees	Number of Locations	Type of Operations

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Total			

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### 3. LOSS EXPERIENCE

List all employee theft, burglary, robbery, forgery, kidnap/ransom and extortion losses discovered by the **Insured** in the last 6 years, itemizing each loss separately: Check if **None**

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 **Insured**.

### 4. AUDITS

Are the books audited by an Independent C.P.A.?  Yes  No

If Yes, by whom and how often? \_\_\_\_\_

Are these audits complete and unqualified?  Yes  No

If No, please describe the limitations by attachment.

Are these audits made for each entity to be covered?  Yes  No.

If No, please explain by attachment.

If an independent C.P.A. is not retained, who is responsible for auditing the books? \_\_\_\_\_

Briefly explain the scope and limitations of such audit. \_\_\_\_\_

Does the audit include all locations?  Yes  No

If No, please explain by attachment.

### 5. INVENTORY CONTROL

Is a complete inventory made with physical check of stock and equipment?  Yes  No

If Yes, by whom and how often? \_\_\_\_\_

### 6. BANK ACCOUNT CONTROL

Do the employees who reconcile the monthly bank statements also either:

- sign checks?  Yes  No
- handle deposits?  Yes  No
- have access to check signing machines or signatures plates?  Yes  No

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It is inadvisable for the reconciliation to be done by an employee who also signs checks, handles deposits or who has access to check signing machines or signature plates because under such circumstances losses may be concealed.

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If any answer above is Yes, will you correct this weakness?

Yes  No

Is countersignature of checks required?

Yes  No

If Yes, over what limit? \_\_\_\_\_

## 7. COMPUTER CONTROL

Are pre-authorization controls maintained for all programmers and operators?

Yes  No

Are the duties of programmers and operators separated?

Yes  No

Is the output reconciled by persons who do not prepare or process the input?

Yes  No

Do audit practices include "tests" to detect unauthorized programming changes?

Yes  No

Are computerized check writing operations segregated from departments that authorize checks?

Yes  No

## 8. SECURITIES

State the value of negotiable securities owned or held: \$ \_\_\_\_\_; check if **None**

Where are the securities kept? \_\_\_\_\_

If safe deposit boxes are used, has the bank been instructed to require that 2 individuals be present before entry to any box is permitted?  Yes  No

If No, please identify by attachment, the name and position of 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)?  Yes  No

If Yes, attach a separate listing of exposures, identify each location, describe security controls and state and 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. Check if **None**

## 11. MONEY, SECURITIES & PAYROLL EXPOSURES

What is the maximum amount  
At any one location

What is the maximum amount transported from any  
one location by a method other than an armored vehicle

Money	\$	Money	\$
Checks	\$	Checks	\$
Negotiable Securities	\$	Negotiable Securities	\$

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Please attach details of security controls for any location with significant cash exposure.

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## 12. PREVIOUS CRIME INSURANCE

Insurer	Limits	Deductible	Premium	Policy Period
	\$	\$	\$	

## 13. ADDITIONAL MATERIALS NEEDED

As part of this Application, please attach the following (where applicable):

?? A copy of the most recent independent audit report of the **Parent Company**.

**Note: If a copy of the most recent independent audit report of the Parent Company is being submitted simultaneously with an Application for other coverages offered by the Insurer, it is not necessary to submit it with this Application. However, such documents will be considered as attaching hereto.**

### IMPORTANT INFORMATION

The submitting of this Application does not obligate the Insurer to issue a coverage section. You will be advised if your Application for coverage is accepted.

### FALSE INFORMATION

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

### MATERIAL CHANGE

Signing of this Application does not bind the **Parent Company** or the Insurer. If there is any material change in the answers to the questions prior to the Policy inception date the **Parent Company** will notify the Insurer in writing and any outstanding quotation or indication may be modified or withdrawn.

### 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 Insurer is hereby authorized to make any investigation and inquiry in connection with this Application that it deems necessary.

This Application must be signed by the President or Chief Financial Officer of the company.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title