

Commercial Crime Insurance (Commercial) Proposal form



Magma General Insurance Limited (erstwhile Magma HDI General Insurance Company Limited) | www.magmainurance.com | E-mail: customercare@magmainurance.com | Toll Free: 1800 266 3202 | Registered Office: Equinox Business Park, Tower 3, Ambedkar Nagar, 2nd Floor, Unit Number 1B & 2B, LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India. | CIN: U66000MH2009PLC460693 | IRDAI Reg. No. 149 | Commercial Crime Insurance (Commercial) | Product UIN: IRDAN149CP0001V01201920 | For complete list of details on exclusions, risk factors, terms & conditions, please read the policy documents carefully before concluding a sale. | Trade Logo displayed above belongs to Magma Ventures Private Limited and is used by Magma General Insurance Limited under license. | Chat with MIRA on our website or say "Hi" on WhatsApp No. 7208976789 (PF.CC.ver27.11.25)

Proposer Details

1. Name of Proposer:
2. Subsidiaries (if any):
3. Address:
4. Date of Incorporation:
5. Nature of Operations:
6. Other relevant information
 - I) Annual Turnover
 - a. India
 - b. USA/ Canada
 - c. Europe
 - d. ROW
 - (II) Number of Locations
 - a. India
 - b. USA/ Canada
 - c. Europe
 - d. ROW
 - (III) Total Number of Employees
 - a. India
 - b. USA/ Canada
 - c. Europe
 - d. ROW
7. Current Market Value of all Pension and Employee Benefit Plans \$ _____
8. (i) Please list all acquisitions and mergers you have made in the past 5 years and indicate the turnover for each acquisition:

- (ii) Are all recommendations arising from the pre-acquisition due diligence process immediately implemented? ☐ Yes ☐ No

If “no”, please provide details _____

9. PAN card number (10-character number):

10. Limit of Indemnity to be purchased

a. Per accident

b. Per Year

11. Deductible for the Policy

12. Retroactive date if applicable

13. Period of Insurance

14. Premium amount (including GST)

15. Sources of funds: Please tick appropriate box

Salary ☐ Business ☐ Others (please specify) _____

Declaration:

I/we hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been/will be paid out of proceeds of crime related to any of the offence listed in Prevention of Money Laundering Act, 2002.

I understand that the Company has the right to call for documents to establish sources of funds.

The insurance company has right to cancel the insurance contract in case I am/ have been found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering in India.

Audit and Corporate Governance

8. Do External Auditors audit all operations at least annually? ☐ Yes ☐ No

9. (a) Have all recommendations by External Auditors regarding internal controls been complied with following your last audit? ☐ Yes ☐ No

(b) If “no”, please provide details _____

10. Is there an Audit Committee which monitors the effectiveness of internal controls and reports directly to the Board? ☐ Yes ☐ No

- (a) Do you comply with all provisions of the Combined Code of Corporate Governance relating to Financial Aspects of your business? ☐ Yes ☐ No
- (b) If “no”, please briefly explain reasons for areas of non-compliance.
-
12. (a) Do you have an Internal Audit Department?..... ☐ Yes ☐ No
- (b) Do they have an established audit cycle for all operations? ☐ Yes ☐ No
13. (a) Do you have a Treasury Department? ☐ Yes ☐ No
- (b) Do they have a procedures manual specifying authority levels for each member of staff? ☐ Yes ☐ No
14. Are monthly management reports examined for variances against budget forecasts and such variances investigated? ☐ Yes ☐ No

Internal Financial Controls

15. Are wages/salaries independently checked against personnel records for unusual or excessive payments? ☐ Yes ☐ No
16. Are duties segregated so that no individual can control any of the following activities from commencement to completion without referral to others;
- (a) signing cheques or authorising payments (including capital expenditure) above \$5,000?..... ☐ Yes ☐ No
- (b) issuing funds transfer instructions? ☐ Yes ☐ No
- (c) amending funds transfer procedures?..... ☐ Yes ☐ No
- (d) opening new bank accounts or amending approved signatory details? ☐ Yes ☐ No
- (e) investment in and custody of securities and valuables (including blank cheques, travellers cheques, bills of exchange etc.)? ☐ Yes ☐ No
- (f) refund of monies or return of goods above \$5,000?... ☐ Yes ☐ No
- (g) disbursement of assets or funds of any Pension Plan? ☐ Yes ☐ No
- (h) appointing new suppliers or awarding contracts? ☐ Yes ☐ No
- (i) disbursement of loans (including loans to employees) or approving borrowings? ☐ Yes ☐ No
17. Is all supporting documentation validated before signing cheques or authorising payments above \$5,000? ☐ Yes ☐ No

Are statements of accounts sent to customers independently of employees receiving payment? ☐Yes ☐No

19. Are bank statements independently reconciled by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers, at least every 30 days? ☐Yes ☐No

Recruitment Procedures

20. When recruiting or promoting employees to positions of trust involving handling of stock, money, financial or treasury functions, do you:
- (a) obtain written references covering, at least, their previous 3 years employment history?
☐Yes ☐No
- (b) undergo a process to ensure their suitability for the position? ☐Yes ☐No

Stock and Physical Security

21. Is there controlled access to all locations? ☐Yes ☐No
22. Are all premises containing stock, money, securities, precious metals etc. connected to an intruder alarm which is connected to a central station or a police station and are such intruder alarms maintained in proper working order?..... ☐Yes ☐No
23. Is an independent physical count of stock, raw materials, work in progress and finished goods undertaken at least quarterly and is this count reconciled against stock records? _____ ☐Yes ☐No
24. Is the transfer of money and securities valued above \$10,000 made by a security or professional cash carrying company?..... ☐Yes ☐No
25. What is the maximum value of money, securities, precious metals and/or jewellery at any one location:
- (a) during business hours?..... \$ _____
- (b) outside business hours?..... \$ _____
26. What is the maximum value of stock, work-in-progress and raw materials at any one location?
 \$

Third Parties

27. Do you maintain an approved suppliers list? ☐Yes ☐No
28. Are suppliers **and** service providers:
- (a) vetted for competency, financial stability and honesty before being approved? ☐Yes ☐No
- (b) appointed under written contract? ☐Yes ☐No
29. Are procedures in place to assess the suitability of trustees, fiduciaries, administrators or officers of all of your Pension Plans? ☐Yes ☐No
30. (a) Do you outsource any normal administrative function to third party service providers? ☐Yes ☐No
- (b) If "yes", please detail the services and estimated annual contract values.
- _____
31. Do you audit outsourcing companies during the term of their contract? ☐Yes ☐No
32. If the outsourcing company operates on your premises are their employees under your daily management control? ☐Yes ☐No
- Note: Losses caused by employees of organisations to whom normal administrative functions have been outsourced will only be covered if you have: vetted them for competency, financial stability and honesty; appointed them under written contract; and you retain the right to audit them.**

Computer Systems / Internet E-Commerce

33. Are unique passwords used to give various levels of entry to the computer depending on the users job functions? ☐Yes ☐No
34. Are passwords automatically withdrawn when people leave? _____ ☐Yes ☐No
35. Are all amendments to programmes approved independently of the persons making the amendments? ☐Yes ☐No
36. Are programmes protected to detect unauthorised changes? _____ ☐Yes ☐No
37. Is your computer system protected by virus detection and repair software? ☐Yes ☐No
38. Which business activities do you utilise the Internet for?
- E-Mail ☐ Advertising ☐ Selling Products ☐
- Hosting Services for Third Parties ☐ Other _____
39. What is the estimated value of e-business revenue in

your business?..... \$ _____

40. Please list your Website addresses

Fund Transfers

“Fund Transfers” means any instructions (other than cheques) given to a Financial Institution to pay or deliver funds.

41. What is the approximate total annual value of fund transfers?

(a) InterGroup Payments \$ _____

(b) External Payments \$ _____

42. Please specify which methods are utilised to send fund transfer instructions:

Type _____	Secured By _____
Written ☐	Password ☐
Electronic ☐	Encryption ☐
Telephone ☐	Codeword ☐
Facsimile ☐	Callback ☐
Other _____	Other _____

43. Are all fund transfer instructions subject to a verification and authentication process?..... ☐Yes ☐No

44. Can payment instructions only be made to accounts which are pre-determined as an approved beneficiary? ☐Yes ☐No

45. Is the financial institution required to authenticate the instruction in accordance with a specified mandate before payment is released? ☐Yes ☐No

Plans and Policies

46. Do you maintain a written crisis management or contingency plan covering procedures following kidnapping or extortion? ☐Yes ☐No

47. Do you maintain a written anti-fraud policy which is distributed throughout your organisation?..... ☐Yes ☐No

48. Do you have a whistleblowing service accessible to all staff?... ☐Yes ☐No

49. Are special security precautions taken to protect against kidnapping of directors or employees who live in or travel to volatile countries? ☐Yes ☐No

Optional Extensions to Cover

50. In addition to providing cover for losses arising from Employee Fraud or Dishonesty, Commercial Crime Insurance also covers damage, destruction or disappearance of money or securities and losses caused by third parties arising from: computer fraud, funds transfer fraud, extortion and kidnap, forgery, fraudulent alteration of a financial instrument, incoming cheque forgery, forged money orders, counterfeit negotiable instruments,. Do you wish cover to be extended to also include:

- | | | |
|---------------------------------------|------------------------------|-----------------------------|
| Audit Fees..... | ☐ Yes | ☐ No |
| Client Liability | ☐ Yes | ☐ No |
| Interest Receivable and Payable | ☐ Yes | ☐ No |
| Business Interruption | ☐ Yes | ☐ No |
| Public Relations Cover | ☐ Yes | ☐ No |
| Contractual Damages | ☐ Yes | ☐ No |
| Extortion | ☐ Yes | ☐ No |
| Care, Custody and Control | ☐ Yes | ☐ No |
| Court Attendance Costs | ☐ Yes | ☐ No |
| Credit Card Fraud | ☐ Yes | ☐ No |
| Data Reconstitution Costs..... | ☐ Yes | ☐ No |
| Erroneous Fund Transfer | ☐ Yes | ☐ No |
| Investigation Costs..... | ☐ Yes | ☐ No |
| Legal Expenses | ☐ Yes | ☐ No |
| Outsourcing..... | ☐ Yes | ☐ No |
| Partners..... | ☐ Yes | ☐ No |
| Fraudulent Impersonation | ☐ Yes | ☐ No |

Loss History

51. (a) Please provide brief details of any losses (of a type covered by Commercial Crime Insurance) sustained during the past five (5) years and before application of any deductible, retention or excess whether insured or not. (Please include date discovered, location, nature of loss and amount).

- (b) Please describe what corrective measures were taken to prevent similar losses.

- (c) Have such corrective measures been implemented across all operations?..... ☐ Yes ☐ No

If "no" please provide details

SIGNING THIS PROPOSAL DOES NOT BIND THE PROPOSER TO COMPLETE THIS INSURANCE

Premium Payment Details:									
Kindly select : ☐ Cheque ☐ DD ☐ NEFT ☐									
Cash									
Cheque /DD/ PO /UTR No.									
Payee Name/ Account Holder Name :									
Date				IFSC					
Amount in Rs.									
Bank Account No.									
Bank Name					Branch				
PAN Number									
<i>Documents to be attached as per requirement for fulfillment of KYC Norms.</i>									
GST Registered								Yes/ No	
GSTIN Number									
GST State									

- ☐ "I/We hereby give my/our consent to the Company to verify and obtain my/our identity/address proof as well as the identity /address proof of the insured through Central KYC Registry or UIDAI or through any other permitted modes for the purpose of undertaking applicable KYC."

INTERMEDIARY DETAILS

Intermediary code:

Intermediary name:

I, _____ (Full Name) in my capacity as an Insurance Advisor/Specified Person of the Corporate Agent/Authorized employee of the Broker/Relationship Officer, do hereby declare that I have explained all the contents of this Proposal Form, including the nature of the questions contained in this Proposal Form to the proposer including statement (s), information and responses(s) submitted by him/her in this Proposal Form to questions contained herein or any details sought herein will form the basis of the Contract of Insurance between the Company and the Proposer, if this Proposal is accepted by the Company for issuance of the Policy. I have further explained that if any untrue statement(s)/information/response(s) is/are contained in this Proposal Form / including addendum(s), affidavits, statements, submissions, furnished/ to be furnished, or if there has been a non-disclosure of any material fact, the Policy issued to his/her favour pursuant to this Proposal may be treated by the Company as null and void and all premium paid under the Policy may be forfeited to the Company.
License No./ID (Advisor/Corporate Agent/Broker/Relationship Officer)

Date: DD MM YYYY

Signature of the Insurance Advisor: _____

I/We agree that the Policy shall become voidable at the option of the Company, in the event of any untrue or incorrect statement, misrepresentation, non-description or non-disclosure in any material particular in the proposal form/personal statement, declaration and connected documents, or any material information has been withheld by me/us or anyone acting on my/our behalf to obtain any benefit under this Policy.

I/We, the undersigned hereby declare and warrant that the above statements are true, accurate and complete. I/We desire to effect an insurance as described herein with the Company and I/We agree that this proposal and declarations hereto shall be the basis of contract between me/us and the Company and I/We agree to accept a Policy subject to the conditions prescribed by the Company.

I/We agree that the issuance of Policy/Cover Note shall be subject to realisation of premium cheque.

I/We hereby agree and confirm that if the amount collected is less than the premium quoted or revised as per changes in sum proposed for insurance or scope of cover desired by me/us, the proposal shall be considered for acceptance for a reduced sum appropriate to the premium collected and the Policy shall be finalised accordingly.

I hereby consent to and authorize Magma General Insurance Limited to make welcome calls, service calls or any other communication (electronic or otherwise) with respect to the proposed or existing policy of Company from time to time and subject to the provisions of applicable law.

I wish to get all policy related communications on my Whatsapp (other app) number.

I/We hereby declare and undertake that the amount paid by me/us as premium for aforementioned policy is out of my/our lawful and declared source of income.

AML Guidelines

I/we hereby confirm that all premiums paid / payable in future are from bonafide sources and not paid out of proceeds of crime and that such premiums are not disproportionate to my/our income. I / we

understand that the Company has the right to call for documents to establish sources of funds and to cancel the insurance policy

in case I / we are found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering law in India.

Date: DD/MM/YYYY

Signature of the Proposer: _____

Are you or any of the proposal applicants PEPs* or a close relative/associate of PEPs*?

☐ YES ☐ NO

If yes, please share the details of “Politically Exposed Persons”(PEPs):

* (PEPs) are individuals who have been entrusted with prominent public functions by a foreign country, including the heads of States or Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials

Additional Information:

Nationality: Indian ☐

Non-Indian ☐

If, Non-Indian, please specify Country:-----

Type of Organisation:

(i) Corporations

(ii) Trust

(iii) Government

(iv) Partnership

(v) Non-Government Organisations

(vi) Co-operatives

(vii) Society

(viii) Private Limited Company

(ix) Public Limited Company

(x) others, please specify-----

Source of Funds:

Business: ----- Salaried:----- Others (please specify)-----

VERNACULAR DECLARATION

I hereby declare that I have fully explained the contents of the proposal form and all other documents incidental to availing the insurance from **Magma General Insurance Limited** to the proposer in the language understood by him/her. The same has been fully understood by him/her and the replies have been recorded as per the information provided by the proposer. Replies have been read out to, fully understood and confirmed by the proposer.

Place:

Proposer's Signature_____

Company stamp

Date:
(DD-MM-YYYY)

Name: _____ Designation _____

Prohibition of Rebates Under Section 41 of Insurance Law (Amendment) Act, 2015

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing a policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakhs rupees.