

Motor Trade Fidelity Guarantee insurance supplementary proposal

This is a supplementary proposal form and should be completed and read in conjunction with the Motor Trade Select and RMI Proposal Form or Complete Motor Trade and Complete RMI Proposal Form.

Client Details

Cover does not attach until this proposal has been accepted by Allianz Insurance plc. Please supply the following details. Use BLOCK CAPITALS and tick boxes where appropriate. If you do not have enough room please use a separate piece of paper.

Full name of employer

Please answer all the following questions.

Important: This form should only be completed and signed by a senior executive, official, director or partner authorised to sign on behalf of the Proposer.

General

- 1** Do you have a documented policy on security within your organisation? Yes No
- a** Has a director or senior member of staff been given responsibility to enforce and review this? Yes No
- b** Are all staff made aware of it? Yes No
- c** Are all employees made aware of the person to whom they should report the discovery of a possible loss or activities which may lead to a loss? Yes No
- d** Please enclose a copy with this proposal form - enclosed Yes No
- 2** Do any employees to be insured reside or work outside Great Britain, Northern Ireland, the Channel Islands and the Isle of Man? Yes No

If 'Yes', please provide full details:

General (continued)

- 3** Are all employees to be covered who have responsibility for stock control, wage or accounting functions required to take 14 consecutive days holiday per annum? Yes No
- 4 a** Do professional auditors audit your accounts at least once every 12 months? Yes No
- b** Do they audit all locations? Yes No
- c** Name and address of your auditors
-
- Postcode
- d** Do you have an internal audit team? **Yes** No
- (If 'Yes', you now need to complete Appendix 1 - Internal Audit) Yes No
- 5** Do you always obtain satisfactory written references direct from former employers covering three years immediately preceding the engagement of any employees responsible for money, goods, accounts, computer operations or computer programming? Yes No
- 6** State the guarantee Limit of Indemnity required £
- 7** State the total number of persons employed Persons

Important notes

- 1** Where the employer is unable to comply with the reference requirements for any employee Allianz Insurance must be advised. Cover will only operate when all references have been obtained covering the requisite period and are satisfactory.
- 2** References are to be retained for the duration of an employee's service with the employer plus two years thereafter. These may be requested by Allianz Insurance in the event of a claim.

System of check

- 1** Have you appointed a competent person to exercise control over accounts and cash Yes No
- Please confirm what qualifications they have and how long they have been in control of those areas?
-
- 2 a** Are employees receiving monies required to bank daily? Yes No
- b** Are employees required to account for monies received at least monthly? Yes No
- 3** Is cash in hand including petty cash and unpaid wages, checked independently of the employees responsible at least monthly and additionally, without warning, at least every six months? Yes No
- 4** Are bank statements, receipt counterfoils and supporting documents checked at least monthly against the cash book entries and the balance tested with cash and unpresented cheques, independently of the employees making cash book entries or paying into the bank? Yes No

System of check (continued)

5 a Are all cheques

i prepared independently of employees who authorise cheques and signatories?

Yes No

ii authorised by employees independently of those who prepare or sign cheques?

Yes No

iii signed by employees independently of those who prepare cheques or authorise cheques?

Yes No

b When cheques are being signed does each signatory examine supporting documents?

Yes No

c Do all cheques drawn for more than £10,000 require two signatories?

Yes No

6 Are statements of account sent to customers direct by post independently of employees in a position to receive payment of an account at least monthly?

Yes No

7 Will all wages and salaries be checked against wage lists and wage figures independently of persons who prepare the wages?

Yes No

8 Do you allow employees to handle monies or goods other than in the normal course of the Business (e.g. holiday club money) and are these to be covered by the policy?

Yes No

If 'Yes', please provide particulars indicating what steps are taken to ensure that they are properly accounted for:

9 a Does any employee have

i the power to operate your bank account?

Yes No

If 'Yes', what is the maximum authorised transaction amount of the sole authority of one employee?

£

ii direct control over yours or your clients' investments, securities or stocks?

Yes No

b Do you operate an Electronic Funds Transfer system?

Yes No

(If 'Yes', you now need to complete Appendix 2 - Funds Transfer)

c Are clients' monies held in separate accounts from that of the business accounts?

Yes No

System of check (continued)

10 a Will all stock including completed goods, returned goods and motor Vehicles be physically checked independently of the employees normally responsible for it at least six monthly with any discrepancies investigated?

Yes No

b Do you additionally carry out "spot check" audits without warning?

Yes No

If so how often?

11 Do you hold stocks of high value materials or goods (other than motor vehicles)? (e.g. non-ferrous or precious metals, exercise stocks)

Yes No

If 'Yes', please indicate:

a Nature of goods

b Maximum value

£

c Special Security precautions taken against theft by employees

12 Are different employees acting independently responsible for:

a ordering goods including Motor Vehicles

Yes No

b recording receipt of goods including Motor Vehicles?

Yes No

c authorising payment for goods including Motor Vehicles?

Yes No

13 Is the appointment of suppliers carried out through the use of a formal tendering procedure?

Yes No

If 'No', please provide details:

Computer security

1 Are any wage, accounts or stock control functions computerised?

Yes No

Note: If 'No', please move on to 'Important Note & Special Condition'

2 a Is physical access to rooms containing computer terminals restricted to authorised staff?

Yes No

b Is computer media (discs, tapes, etc.) securely stored in locked cabinets when not in use by authorised staff?

Yes No

c Can your systems be accessed from terminals outside your premises?

Yes No

3 Has your computer security been vetted by a professional computer company or computer security personnel of your auditor?

Yes No

4 Did they make any recommendations?

Yes No

If 'Yes', have they been fully complied with?

Yes No

5 a Do employees with access to the computer system need a secure, individual password to access the system?

Yes No

b Are users forced by the system to change passwords upon expiry, at least once every six months?

Yes No

c Is password access deleted or invalidated immediately an employee leaves your employment?

Yes No

d Is computer data backed up daily and stored securely offsite?

Yes No

6 Do you employ your own computer personnel?

Yes No

7 a Do you use any computer programs that have been written or obtained from anyone other than third party specialist computer companies?

Yes No

If 'Yes', please specify

b Is it possible for a person to write and/or run a program in respect of stock control, wages or accounts in an uncontrolled manner?

Yes No

8 Can your computer staff access or interfere with your wage, accounts or stock control records?

Yes No

9 Are you aware of any wrongful interference by employees or otherwise with your computer systems?

Yes No

If 'Yes', would the interference have resulted in a loss if undetected?

Please provide details

10 Do you have a "computer trail" audit (i.e. Do you audit access to your system to ensure users are only accessing those areas of the system they are authorised to and that all access is by authorised users only)

Yes No

Important note & special condition

Important Note:

The terms of this insurance require that the System of Check in this proposal and any other precautions declared or required by Us must remain fully operative during the currency of the Policy.

Special Condition:

You operate or bring into force the System of Check (including Computer Security) and shall not make any change to the System of Check (including Computer Security) unless We are advised and written approval obtained. All employees shall be instructed as to their duties or responsibilities in respect of the System of Check (including Computer Security) and compliance be suitably monitored and enforced.

Declaration:

I/we declare that:

- 1 I/we have read this proposal and understand that I/we are under a duty to make a fair presentation of the risk and that failure to do so could result in my/our Policy being invalidated and/or a claim not being paid.
- 2 the facts, statements and information contained within this proposal, whether provided by me/us or by others on my/our behalf, are true and complete.
- 3 any facts, statements and information which are not contained within this proposal but which have been provided to Allianz separately by me/us or by others on my/our behalf are true and complete.
- 4 I/we have declared all material facts and circumstances which may affect the risk being accepted by Allianz under this Policy even if Allianz has not asked me/us any questions about such facts.
- 5 I/we have made all reasonable enquiries of anyone employed by me/us to ensure that all facts, statements and information provided to Allianz are accurate and correct.
- 6 I/we have read the Fair Processing Notice and the Consent for Special Categories of Personal Data contained within this proposal and consent to data being used for the purposes specified.

Signature(s)

Date

Position

Name

Important Information – Your duty to make a fair presentation of the risk

You must make a fair presentation of the risk to us at inception, renewal and variation of your Policy. This means that you must tell us about all facts and circumstances which may be material to the risks covered by your Policy in a clear and accessible manner or give us sufficient information to alert us of the need to make enquiries about such facts or circumstances.

Material facts are those which are likely to influence us in the acceptance of or assessment of the terms or pricing of your Policy. If you are in any doubt as to whether a fact is material, you should tell us about it.

If you fail to make a fair presentation of the risk, we may avoid your Policy (that is treat it as if it had not existed) and refuse to pay any claims where any failure to make a fair presentation is:

- a deliberate or reckless; or
- b of such other nature that, if you had told us about a material fact or circumstance, we would not have issued, renewed or varied your Policy.

In all other cases, if you fail to make a fair presentation of the risk, we will not avoid your Policy but we may instead:

- a reduce proportionately the amount paid or payable on any claim, the proportion for which we are liable being calculated by comparing the premium actually charged as a percentage of the premium which we would have charged had you made a fair presentation (e.g. if we would have charged you double the premium, we will only pay half the amount of any claims under your Policy); and/or
- b treat your Policy as if it had included such additional terms as we would have imposed had you told us about a material fact or circumstance. Payment of any claim you make will be subject to the application of any such additional terms.

For these reasons it is important that you check all of the facts, statements and information set out in this proposal are complete and accurate. You must also make reasonable enquiries to check with anyone you employ in your business that the facts and statements set out in this form are complete and accurate.

If any of the facts, statements and information set out in this proposal are incomplete or inaccurate, you or your Insurance advisor must contact us immediately. Failure to do so could invalidate your policy or lead to a claim not being paid or not being paid in full.

Privacy Notice Summary

Please find below a summary of our Privacy Notice.
The full notice can be found on the Allianz UK website:
allianz.co.uk/privacy-notice.html.

If you would like a printed copy of our Privacy Notice, please contact the Data Rights team using the details below.

Allianz Insurance plc is the data controller of any personal information given to us about you or other people named on the policy, quote or claim. It is your responsibility to let any named person know about who we are and how this information will be processed.

Allianz Insurance plc, Allianz Engineering Inspection Services Limited, Petplan Ltd and VetEnvoy are companies within Allianz Holdings.

Anyone whose personal information we hold has the right to object to us using it.

They can do this at any time by telling us and we will consider the request and either stop using their personal information or explain why we are not able to.

If you wish to exercise any of your data protection rights you can do so by contacting our Data Rights team:

Telephone: **0208 231 3992**
Email: datarights@allianz.co.uk
Address: Allianz,
57 Ladymead, Guildford,
Surrey, GU1 1DB

Any queries about how we use personal information should be addressed to our Data Protection Officer:

Telephone: **0330 102 1837**
Email: dataprotectionofficer@allianz.co.uk
Address: Data Protection Officer, Allianz,
57 Ladymead, Guildford,
Surrey, GU1 1DB

Employers' Liability Tracing Office

If your policy provides Employers' Liability cover information relating to your insurance policy will be provided to the Employers' Liability Tracing Office (the "ELTO") and added to an electronic database, (the "Database") in a format set out by the Employers' Liability Insurance: Disclosure by Insurers Instrument 2011.

The Database assists individual consumer claimants who have suffered an employment related injury or disease arising out of their course of employment in the UK whilst working for employers carrying on, or who carried on, business in the UK and as a result are covered by the employers' liability insurance of their employers, (the "Claimants"):

- i** to identify which insurer (or insurers) was (or were) providing employers' liability cover during the relevant periods of employment; and
- ii** to identify the relevant employers' liability insurance policies.

The Database and the data stored on it may be accessed and used by the Claimants, their appointed representatives, insurers with potential liability for UK commercial lines employers' liability insurance cover and any other persons or entities permitted by law.

The Database will be managed by the ELTO and further information can be found on the ELTO website elto.org.uk.

Motor Insurance Database

If your policy provides Motor cover, information relating to your insurance policy will be added to the Motor Insurance Database ("MID") managed by the Motor Insurers' Bureau ("MIB"). MID and the data stored on it may be used by certain statutory and/or authorised bodies including the Police, the DVLA, the DVANI, the Insurance Fraud Bureau and other bodies permitted by law for purposes not limited to but including:

- i** Electronic Licensing
- ii** Continuous Insurance Enforcement;
- iii** Law enforcement (prevention, detection, apprehension and or prosecution of offenders)
- iv** The provision of government services and or other services aimed at reducing the level and incidence of uninsured driving.

If you are involved in a road traffic accident (either in the UK, the EEA or certain other territories), insurers and or the MIB may search the MID to obtain relevant information. Persons (including his or her appointed representatives) pursuing a claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID. It is vital that the MID holds your correct registration number. If it is incorrectly shown on the MID you are at risk of having your vehicle seized by the Police. You can check that your correct registration number details are shown on the MID at askmid.com.

Appendix 1 - Internal Audit

Please answer the following (but only if you have answered 'Yes' to question 4d):

- a How many people are employed in the internal audit department?
- b How often are full internal audits made?
- c Are surprise audits regularly conducted? Yes No
- d Are all premises audited? Yes No
- e What is the maximum length of time between audits for an area or location of the business?
- f Is there an "audit and control" procedures manual? Yes No
- g Are internal controls reviewed by external auditors? Yes No
- If 'Yes', are any recommendations brought to the attention of management and complied with? Yes No

Appendix 2 - Funds Transfer

Please answer the following (but only if you have answered 'Yes' to question 9b):

- 1 Estimated annual value of funds transferred: £ Maximum amount £
How many fund transfers take place on average per month?
- 2 a Are computers used to handle fund transfers? Yes No
- b If 'No', what methods are used?
- If 'Yes', please attach a copy of the procedures followed
- 3 Do you use a Cash Management System? Yes No
- If 'Yes', please answer the following questions
- a Name of Service Bank and system
- b Do you comply with all terms and conditions contained in the agreement with the Service Bank? Yes No

Appendix 2 - Funds Transfer (continued)

c Is the system used for:

i Balance reporting?

Yes No

ii Funds transfer instructions to own party accounts?

Yes No

iii Funds transfer instructions to third party accounts?

Yes No

iv Other? If **'Yes'**, please specify below

Yes No

d Does the system impose limits on the amounts/values of instructions?

Yes No

If **'Yes'**, please describe

e Within your organisation are there written procedures regarding the control and usage of the system?

Yes No

f Are cash management system transaction statements received from the Service Bank verified by the end of the next business day following receipt?

Yes **No**

If **'No'**, when are they verified?

4 With regard to funds transfer (whether through a Cash Management System or not) please provide the following:

a In respect of funds transfer applications do you input instructions in:

i Fixed/pre-format

Yes No

If **'Yes'**, describe procedures for setting up and amending authorities

ii Free-format?

Yes No

b Does the bank acknowledge transfers?

Yes No

If **'Yes'**, describe by what means:

Appendix 2 - Funds Transfer (continued)

c Who approves transfers

[Redacted]

and is dual authorisation required?

Yes No

If 'Yes', for over what amount?

£ [Redacted]

d Are the details of such transactions always entered by someone who is not permitted to authorise transfers?

Yes No

e How many persons are required to release an electronic funds transfer instruction?

[Redacted]

f Do the terminals used feature a lock-out mechanism that denies access after a certain number of failed access attempts and log the incident on an audit or supervisory report?

Yes No

g Are all transactions audited?

Yes No

If 'Yes', by whom and how often?

[Redacted]