

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

**01 January 2016 – 01 January 2017
CRIME PROPOSAL FORM & QUESTIONNAIRE**

1. GENERAL INFORMATION

Name of Council _____

Estimated Turnover for the forthcoming period: _____

Estimated Wages for the forthcoming period: _____

Total number of locations: _____

Sum Insured: _____ Deductible / Excess: _____

2. EMPLOYEE CLASSIFICATION, EMPLOYMENT AND HUMAN RESOURCE CONTROLS

Do you maintain a written anti-fraud policy which is distributed throughout the entire organisation (please supply a copy of the policy if available)? Yes No

When recruiting or promoting employees to positions or trust involving handling of stock, money, financial or treasury functions, do you:

- undertake independent checks in their employment history? Yes No
- undergo a process to ensure their suitability for the position? Yes No

Are employees handling cash, accounts or negotiable instruments required to take uninterrupted holiday of at least two weeks every calendar year during which they are required to stay away from your premises AND perform no duties for you? Yes No

Classification of Employees		No of Employees
a.	Employees having responsibility for money or negotiable instruments stock and/or accounts	
	Class 1: Executives, officials and employees other than those referred to in Classes 2 and 3.	
	Class 2: Executives, officials and employees primarily engaged in duties as cashiers, treasurers, paymasters, accountants handling money or negotiable instruments. Indoor sales staff handling money or negotiable instruments. Stock and stores supervisors.	
	Class 3: Employees engaged in outdoors handling money or negotiable instruments. Employees primarily engaged in the delivery of goods.	
	Class 4: Contractors/Sub-Contractors engaged in handling money or negotiable instruments.	
b.	All other employees not having responsibility for money or negotiable instruments, stock and/or accounts (e.g. typists, office staff not included in (a), factory hands, labourers, mechanics and the like).	

3. AUDIT CONTROLS

Are your operations audited by an external auditing company? Yes No

If yes, by whom? _____ How often? _____

Is there an auditor's letter to management currently on file relating to internal control weaknesses and recommendations to improve these weaknesses? Yes No
(If yes, please attach a copy).

Has management prepared a reply? Yes No
(If yes, please attach a copy).

Have these recommendations been complied with? Yes No

Are internal audits performed in addition to or in place of the outside audits? Yes No

If yes, how often? _____

4. INVENTORY AND SECURITY CONTROLS

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

If yes, by whom? _____ How often? _____

Is there controlled access to all locations? Yes No

Are all premises containing stock, money, securities etc. connected to an intruder alarm? Yes No

Are statements of account sent to customers/suppliers regularly, and independently of council staff receiving/making payment(s) Yes No

5. BANK ACCOUNT AND FINANCIAL CONTROLS

Are Duties segregated so that no individual can control any of the following activities from commencement to completion without referral to others:

-Signing cheques, authorisation of payments or cheque requisitions (including capital expenditure) above \$2,000? Yes No

-Issuing funds transfer instructions? Yes No

-Amending funds transfer procedures and/or instructions? Yes No

-Opening new bank accounts? Yes No

-Refund of moneys or return of goods above \$2,000? Yes No

-Awarding contracts following a tender? Yes No

-Are computerised cheque writing operations segregated from departments that authorise cheques? Yes No

-Are bank statements independently reconciled with internal records and customer accounts by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers? Yes No

-Are wages/salaries independently checked against personnel records for unusual or excessive payments? Yes No

-Is all supporting documentation validated before authorising any form of payment? Yes No

If any answer above is No, please explain why not and how duties are conducted currently:

-Please state the largest estimated amount held on any one day and in any one location of:

Petty Cash	\$
Cash Payroll	\$
Cheques/Negotiable Securities	\$

6. COMPUTER CONTROLS

Are computers used for electronic funds transfers? Yes No
 Are transfer procedures in place? Yes No
 Are security controls in place? Yes No

If yes, describe, or attach a copy of those procedures/controls

Do persons other than Employees have physical or electronic access to the Insured's facilities? Yes No

If yes, describe circumstances and controls in effect

DECLARATION

We agree that this proposal together with any other information supplied by us, shall form the basis of any contract of insurance effected thereon, and shall be incorporated therein. We undertake to inform the company of any material alteration to these facts, whether occurring before or after completion of the contract of insurance. Signing this proposal form does not bind the proposer to complete this insurance, nor does it bind the company to accept the proposal.

COUNCIL / AUTHORITY _____

SIGNATURE OF AUTHORISED PROPOSER _____

TITLE _____ DATE : _____

IMPORTANT NOTICES

DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with an insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. The same duty arises on renewal, extension, reinstatement - or variation of the policy. The disclosure required is especially important in matters relating to the physical risk, past claims, cancellation of insurance covers, the imposition of increased premiums, insolvency or criminal convictions. Disclosure is not limited to specific questions in a proposal or matters applying to the insured named in the policy but includes other relevant matters including past business or businesses or private insurances. If you breach the duty, even innocently, the insurer may be able to reduce its liability in respect of a claim or may cancel the contract. If the non-disclosure is fraudulent the insurer may also have the option of avoiding the policy from inception.

CHANGE OF RISK OR CIRCUMSTANCES

Please tell us about any changes to your circumstances or business, such as any alteration of risk, location changes, new or changed business activities, as they could affect your insurances.

UNREPORTED LOSSES

Please let us know whether there are any losses which have occurred that have not been reported to us/insurers, whether you intend making a claim or not.

NEW CLAIMS

Any quotation we have obtained on your behalf is based on the understanding that there will be no deterioration in the claims experience between the date insurers quoted their terms and the inception date of the cover. If claims do occur during this period, insurers have the right to revise the terms quoted or even withdraw their quotation.

HOLD HARMLESS AGREEMENTS, CONTRACTING OUT, REMOVAL OF SUBROGATION RIGHTS

You may prejudice your rights to a claim if, without prior agreement from your insurer, you make any agreement that could prevent the insurer from recovering the loss from a third party. These "hold harmless" clauses are often found in leases, licences and contracts for maintenance, supply, construction and repair.

WARRANTIES

Where any insurance is subject to a Warranty, there must be strict compliance with the stipulation in the Warranty. Failure to comply with any Warranties may invalidate policy cover and lead to non-payment of claims, even though the breach may not have any bearing on a particular claim.

SEVERAL LIABILITY

Where your policy cover is provided by more than one insurer it is important to note that each insurer is only responsible to the extent of their individual subscription and there is no obligation for that insurer to make up the shortfall of any other subscribing insurer in a claim or return premium payment.

CONFIRMATION OF TRANSACTION

You may contact us by telephone or in writing to confirm any transaction under your policy, such as renewals and endorsements. If necessary, we will obtain the information for you from the insurer.

PRIVACY POLICY

JLT is committed to the protection of your privacy and is bound by the National Privacy Principles for the handling of your information. JLT's Privacy Policy can be examined by accessing our website (<http://www.jlta.com.au/>) or by obtaining a copy from the JLT Privacy Officer (at Jardine Lloyd Thompson Pty Ltd., 66 Clarence Street, Sydney, NSW, 2000: or on telephone number (02) 9290 8000).

IF THERE IS ANY PART OF THE ABOVE THAT YOU DO NOT UNDERSTAND OR YOU REQUIRE FURTHER EXPLANATION, PLEASE CONTACT US IMMEDIATELY.