



The Herbert H. Landy Insurance Agency, Inc.
 100 River Ridge Drive, Suite 301
 Norwood, MA 02062
 800-336-5422
 Completed applications can be sent to info@landy.com or faxed to 800-344-5422.

Commercial Crime Policy Application For Mercantile Entities

Application is hereby made by _____

(Please attach a list of all Insureds, including Employee Benefit Plans)

Principal Address _____ City _____ State _____ Zip _____

Policy Effective Period _____ To _____

1. Insuring Agreement

Limit of Insurance

Deductible

	Limit of Insurance	Deductible
1. Employee Dishonesty	\$ _____	\$ _____
2. Forgery or Alteration	\$ _____	\$ _____
3. Inside the Premises	\$ _____	\$ _____
4. Outside the Premises	\$ _____	\$ _____
5. Computer Fraud	\$ _____	\$ _____
6. Money Orders and Counterfeit Paper Currency	\$ _____	\$ _____
7. Loss of Clients' Property	\$ _____	\$ _____
8. Funds Transfer Fraud	\$ _____	\$ _____

Coverage Amendments (Endorsements) _____

Is Kidnap, Ransom, and Extortion Coverage Desired?

Yes

No

2. Description of your organization

a. Legal Entity

Proprietorship Partnership Corporation Other _____

Date of Establishment _____

b. Classify your predominant activity

Manufacturer Processor Wholesaler Distributor

Retailer Servicer Other _____

c. Please describe the products or services of your predominant business or activity

d. Has there been any change in ownership or management within the past three years?

If yes, please explain

3. Audit Procedures

Yes

No

a. Are your annual financial statements audited by a public accountant?

b. Is the public accountant's opinion unqualified?

c. Does it include all interests and locations on an annual basis?

d. Have all recommendations made by the accountant been adopted?

3. Audit Procedures Continued

	Yes	No
e. Are all reports sent directly to the Owner, Partners or Directors?	<input type="checkbox"/>	<input type="checkbox"/>
f. Is there a full time professional staff auditor?	<input type="checkbox"/>	<input type="checkbox"/>
g. Does the staff auditor conduct an audit <input type="checkbox"/> Annually <input type="checkbox"/> Surprise Basis		
h. Is there a formal audit program?	<input type="checkbox"/>	<input type="checkbox"/>
i. Does the auditor have the authority to check anyone and any record at any time?	<input type="checkbox"/>	<input type="checkbox"/>
j. Does the auditor originate entries?	<input type="checkbox"/>	<input type="checkbox"/>
k. If weaknesses are discovered, does the auditor report in writing to the First Named Insured?	<input type="checkbox"/>	<input type="checkbox"/>
l. Do you audit your Wire Transfer procedures?	<input type="checkbox"/>	<input type="checkbox"/>
m. Are foreign locations audited at least annually?	<input type="checkbox"/>	<input type="checkbox"/>
n. Are foreign locations audited by <input type="checkbox"/> U.S. Auditor <input type="checkbox"/> Foreign Auditor		

4. Internal Controls

	Yes	No
Bank Accounts		
a. Are bank accounts reconciled monthly?	<input type="checkbox"/>	<input type="checkbox"/>
b. Are bank accounts reconciled by someone not authorized to deposit, withdraw, or write checks?	<input type="checkbox"/>	<input type="checkbox"/>
Checks & Securities		
c. Is countersignature of all checks required? Above what amount? _____	<input type="checkbox"/>	<input type="checkbox"/>
d. Do all vouchers or other supporting records accompany all checks to be signed?	<input type="checkbox"/>	<input type="checkbox"/>
e. Are vouchers/supporting records stamped "PAID" when checks are signed?	<input type="checkbox"/>	<input type="checkbox"/>
f. Do you maintain a list of approved vendors?	<input type="checkbox"/>	<input type="checkbox"/>
g. Are your systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a check)?	<input type="checkbox"/>	<input type="checkbox"/>
h. Are securities subject to the joint control of two or more employees?	<input type="checkbox"/>	<input type="checkbox"/>
i. Do the above controls differ in foreign locations?	<input type="checkbox"/>	<input type="checkbox"/>
Accounts Receivable		
j. Are at least 20% of all of the accounts receivable periodically verified by direct contact with the customers?	<input type="checkbox"/>	<input type="checkbox"/>
Payroll		
k. Do you screen your employees for prior acts of dishonesty?	<input type="checkbox"/>	<input type="checkbox"/>
1. Have you hired or retained persons with prior convictions?	<input type="checkbox"/>	<input type="checkbox"/>
2. If yes , do you have Employees working in the State of New York?	<input type="checkbox"/>	<input type="checkbox"/>
3. If yes to (2) , do you weigh the factors set out in New York State Corrections Law Article 23-A in making the determination to hire or retain such persons?	<input type="checkbox"/>	<input type="checkbox"/>
4. Do you maintain documentation of your New York State Corrections Law Article 23-A assessment?	<input type="checkbox"/>	<input type="checkbox"/>
l. Are credit reports checked when screening new employees?	<input type="checkbox"/>	<input type="checkbox"/>
m. Is the payroll made up by persons other than those who distribute it to employees?	<input type="checkbox"/>	<input type="checkbox"/>

4. Internal Controls *Continued*

	Yes	No
n. Are all persons who are authorized to hire and/or fire employees prohibited from distributing the payroll?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Shipping and Receiving</i>		
o. Are all persons engaged in purchase or sales activities prohibited from taking part in shipping and receiving activities?	<input type="checkbox"/>	<input type="checkbox"/>
p. Are all shipping and receiving activities reconciled to all applicable sale or purchase orders?	<input type="checkbox"/>	<input type="checkbox"/>
q. Does any employee have access to the purchasing system and also the accounts payable system?	<input type="checkbox"/>	<input type="checkbox"/>
r. Is all purchasing centralized out of your main office?	<input type="checkbox"/>	<input type="checkbox"/>
s. Do you have a system to detect payment to fictitious suppliers?	<input type="checkbox"/>	<input type="checkbox"/>
t. Are cash or credits on return purchases supervised by at least two persons?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Supervision by Owner</i>		
u. Is there personal supervision of business activities on a daily basis by an Owner, Partner or Director?	<input type="checkbox"/>	<input type="checkbox"/>
v. Does that person		
1. Deposit all cash receipts?	<input type="checkbox"/>	<input type="checkbox"/>
2. Sign or countersign all checks?	<input type="checkbox"/>	<input type="checkbox"/>
3. Check petty cash periodically?	<input type="checkbox"/>	<input type="checkbox"/>
4. Verify periodically accounts receivable?	<input type="checkbox"/>	<input type="checkbox"/>
5. Reconcile all bank accounts?	<input type="checkbox"/>	<input type="checkbox"/>
6. Verify shipping and receiving activities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Review journal entries?	<input type="checkbox"/>	<input type="checkbox"/>

5. Vendor Information

	Yes	No
a. Are background checks performed on vendors in order to determine ownership and financial capability prior to doing business with them?	<input type="checkbox"/>	<input type="checkbox"/>
b. Is an authorized vendor list utilized and updated for all annual purchases, with competitive bidding required over stated amounts?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are requisitions and purchase orders issued only after the approval of specified personnel within specified limits?	<input type="checkbox"/>	<input type="checkbox"/>
d. Is each cash disbursement based on a recognized liability, accurately prepared, and appropriately authorized, including comparisons to authorized vendor lists and receiving reports?	<input type="checkbox"/>	<input type="checkbox"/>
e. Are perpetual inventories maintained of materials and supplies and periodically verified by physical count?	<input type="checkbox"/>	<input type="checkbox"/>
f. Are vendors provided with a statement of your conflict of interest and gift policy (<i>prohibiting gifts of any significant value</i>)?	<input type="checkbox"/>	<input type="checkbox"/>
g. Are vendors asked to disclose any gifts or favors offered or requested or other questionable behavior by employees?	<input type="checkbox"/>	<input type="checkbox"/>
h. Do the same controls apply to locations outside of the United States?	<input type="checkbox"/>	<input type="checkbox"/>

6. Prior Insurance

Yes No

a. Has any similar insurance been declined or canceled during the past three years? Yes No

If yes, please explain _____

b. Prior insurance to be superseded Check here if none

Form of Insurance	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company

7. Loss History

Enter all claims or occurrences that may give rise to claims for the prior 5 years Check here if none

Date of Occurrence	Type/Description of Occurrence or Claim	Date of Claim	Amount Paid	Claim Status (Open or Closed)

Comments/Corrective Action Taken

8. Classification of Employees and Locations

Classification of Employees (Including Full Time and Part Time)

Employees	U.S.	Canada	Foreign	Grand Total
Locations	U.S.	Canada	Foreign	Grand Total

Number of

Accountants/Asst. Accountants	_____	Credit Clerks and Managers	_____	Purchasing Agents/Asst. Agents	_____
Adjusters	_____	Delivery Persons	_____	Receiving Clerks	_____
Administrators/Asst. Administrators	_____	Demonstrators	_____	Refinery Gauges of Oil Companies	_____
Appraisers/Asst. Appraisers	_____	Detectives	_____	Salespeople	_____
Attorneys	_____	Employees who Order Food	_____	Security Personnel	_____
Auditors/Asst. Auditors	_____	Employees who Handle Money	_____	Service Station Attendants	_____
Bookkeepers	_____	Janitors	_____	Shipping Clerks	_____
Bursars/Asst. Bursars	_____	Locker Room Attendants	_____	Superintendents/Asst. Superintendents	_____
Bus Drivers	_____	Maitre D's/Asst. Maitre D's	_____	Supervisors/Asst. Supervisors	_____
Door to Door Salespeople	_____	Managers/Asst. Managers	_____	Systems Analysts	_____

8. Classification of Employees and Locations *Continued*

Cashiers/Asst. Cashiers _____	Medical Directors _____	Taxi Drivers/Chauffeurs _____
Chairpersons _____	Messengers, Outside _____	Teachers _____
Collectors _____	Meter Readers Who Collect _____	Truck Drivers _____
Computer Programmers _____	Nurses _____	Warehouse Personnel _____
Comptrollers/Asst. Comptrollers _____	Payroll Distributors _____	

9. Money - Securities

Please enter the exposure for each category. Amounts entered should be the maximum exposure.

Type	Money	Securities (Other Than Payroll Checks)	Checks (Excluding Retail Checks)	Payroll Checks	Money Overnight	Securities (In Bank/Safe Deposit)
Inside						
Messenger #1						
Messenger #2						

10. Property

Please provide a description of property, merchandise, stock, etc. to be covered. Please also state the maximum value.

11. Precious Metals

	Yes	No
a. Do you handle, store or use for manufacturing, valuable or precious and/or non-precious metals?	<input type="checkbox"/>	<input type="checkbox"/>
b. Any type of mining?	<input type="checkbox"/>	<input type="checkbox"/>

If yes, please complete our Valuable Metals Questionnaire (available upon request).

12. General Information

Business Hours	Average # of Employees On Duty	Frequency of Deposits	Night Depository Used	Annual Gross Sales or Receipts For Last Fiscal Year	Other Information

13. Safe/Vault

Manufacturer	Label		Door Type		Combination Locks			Thickness	
	UL/SMNA	Class	Round	Square	Outer	Inner	Chest	Door	Wall

14. Messenger Protection

Messenger #	# Guards Per Messenger	Private Conveyance Used		Safety Satchel Used	
		Yes	No	Yes	No
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

15. Premises/Safe Protection

a. What type of alarm(s) do you have at each of your premises?
 1. Hold-up Alarm 2. Premises Alarm 3. Safe Alarm
 4. Local Gong 5. Central Station Alarm 6. Police Connected Alarm

If alarms vary from location to location, please explain _____

b. What is/are the certificate number(s) on your alarms(s) and what is/are the expiration date(s)? _____

c. Is safe/vault protection partial complete

d. Who installs and services your alarms? _____

e. Please specify the number of guards and/or watchpersons on duty each shift _____

f. Please describe any additional protection (e.g. fences, floodlights, etc.) _____

16. Internet Security

	Yes	No
a. Do you buy or sell goods via the internet?	<input type="checkbox"/>	<input type="checkbox"/>
b. Do you have a firewall?	<input type="checkbox"/>	<input type="checkbox"/>
c. Do you have an intrusion detection system that identifies unauthorized access?	<input type="checkbox"/>	<input type="checkbox"/>
d. Do you have documented internet guidelines for employees?	<input type="checkbox"/>	<input type="checkbox"/>
e. Do you have documented emergency procedures?	<input type="checkbox"/>	<input type="checkbox"/>
f. Has your computer system ever been invaded by a hacker or virus? If yes , when and what controls have been implemented to prevent further incidences? _____	<input type="checkbox"/>	<input type="checkbox"/>

17. Business Activities

(check all that apply)

Are you or any of your subsidiaries involved in any of the following?	<input type="checkbox"/>
a. Trading?	<input type="checkbox"/>
b. Extending Credit?	<input type="checkbox"/>
c. Warehousing?	<input type="checkbox"/>
i. For Others?	<input type="checkbox"/>
ii. For Owned Equipment or Inventory?	<input type="checkbox"/>

NOTICE TO APPLICANTS:

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 insurance act, which is a crime.

Applicant Signature _____ **Title** _____ **Date** _____

Producer Signature _____ **Title** _____ **Date** _____