

BANKER'S BLANKET BOND

PROPOSAL FORM

Please note that every Proposer or Insured, when seeking a quotation, taking out or renewing an insurance Policy has a legal obligation to reveal to the prospective Insurers any material fact or information which might affect the judgment of the Insurer in deciding whether to accept the insurance or assessing the conditions of that insurance. Failure to observe this obligation could avoid any contract entered into at inception

1. Title of the Bank including all Banking Subsidiary companies in Which the bank has a controlling interest .

Subsidiary:

2. Principal Address
3. When established
4. Authorized Capital.
Paid Up Capital

Total Assets
Total Deposits
Net Loans and Discounts

There should be as shown in the last Annual statement or report .

5. Do you consider the character of your business essentially to be that of a :

a-Commercial Bank? b-Private Bank?
c-Merchant Bank?

or d- Otherwise (please give details)?

Please describe briefly the main activities of the Bank to amplify answers (a)- (d) above .

6. State number of:
(a) Current cheque accounts
(b) Inactive accounts being those with no Movements in or out during the past 12 months).
(c) Savings and deposits account.

7. Name of Correspondent Bank or Agent in London

8. State the number of Directors (salaried and permanent only).

9. State the numbers falling in each of the following

categories:

| | | Head Office | Branches * |
|---|-------------------------|-------------|------------|
| (b) Number of Employees and the like (who are not Directors including Employees of all grades including messengers guards, domestic employees and Officers) and divided as: | (i) Banking Duties | | |
| | (ii) Non-Banking Duties | | |

10. State MAXIMUM value at:

a) Head Office

b) Branches*
including Central Branch,
Cyprus Branch
Syria Branch

| of: | (i) | (ii) |
|---|-----|---|
| Bearer or Negotiable Securities Including travellers cheques | | Cash bullion precious Stones and similar interest |
| | | |
| | | |

11. State MAXIMUM amount of cash including stock of unissued travellers cheques at

a) Head Office

b) Branches

| With any one teller cashier | At the entire Counter of any One location. |
|-----------------------------|--|
| | |
| | |

12. State MAXIMUM amount of cash Billion etc. and bearer and negotiable securities in transit at Any One time.

a) Head Office

b) Branches

| By Security company Cash Billion Securities etc. | By Messenger(s) Cash Securities |
|--|---------------------------------|
| — | — |
| | |

13. State the LIMIT OF INDEMNITY required for BANKERS POLICY from any one loss/claim /occurrence

(a) Infidelity of Employees

(b) On Premises US\$ 1,000,000.(ONE MILLION USD) subject however.

| <u>To the following limits for hold up:</u> | Head office | Branches |
|---|-------------|----------|
| * <u>Cash on the Counters</u> | | |
| * <u>Cash in safe/strong rooms</u> | | |
| (c) In transit | | |
| (d) Forged Cheques: | | |
| (e) Counterfeited Currency | | |
| (f) Offices & Contents | | |
| (g) Books of Accounts & Records | | |
| (h) Legal Free & Conduct of Legal Action | | |

14. Have you in existence any FIDELITY insurances?

If so, state amount and with whom arranged (insurer).

15. Has any proposal for insurance of this nature been declined by any insurance Company or has any policy been cancelled or renewal thereof refused?

If so, give the reasons stated.

16. Please give in the space provided below, brief details of any loss of losses you have unstained (that would have been covered under a Bankers Policy) BEFORE the application of any deductible, during the past FIVE YEARS:

| Date Discovered | Location | Nature of loss | Amount actual or estimated |
|-----------------|----------|----------------|----------------------------|
|-----------------|----------|----------------|----------------------------|

Unless the information has already been provided, please attach full details of the circumstances surrounding any SUBSTANTIAL loss and the CORRECTIVE MEASURES taken to avoid recurrence.

17. (a) Have you a RULE BOOK of BOOKS or WRITTEN INSTRUCTIONS covering all aspects of your business which will be maintained and operated and which clearly define the duties of each Employee?

(b) Is the attention of each Employee drawn to these instructions and their duty of compliance therewith?

(c) Are the duties of each Employee arranged so That no one Employee is permitted to control Any transaction from commencement to Completion.

- (d) If answer is no to any of questions (a) (b) And (c) above, please explain why and any Alternative methods or procedures.
- (e) Is a guarantee required from employees handling Cash and especially from tellers?
What is its- Amount?
18. (a) Have you designated an Officer or other employee who is charged, subject to super-vision by your Board of Directors, with responsibility for the installation, maintenance and operation of security divices and for the development and adminisration of a security program.
- (b) Are employees trained (and retrained from time to time) in security procedures?.
19. (a) Are unannounced and irregular changes made in the position of Employees within a particular job strata?
- (b) Are all employees required to take an uninterrupted holiday of at least two weeks in each calendar year during Which they perform no duties and are required to stay away from the bank premises?.
20. (a) Is joint custody established and maintained for the Safeguarding of :
- (i) Property while in safes or vaults?
- (ii) All Keys to safes and vaults?
- (iii) Codes, cyphers and test Keys ?
- (b) Is dual control established and maintained for the handling of : -
- (i) all types of securities, negotiable and nonnegotiable instruments and unissued and blank form of said items?
- (ii) The reserve supply of official cheques, drafts and unissued travellers cheques ?
- (iii) Dormant accounts of depositors?
- (iv) Codes, cyphers and test keys ?
21. (a) Is there an internal audit department?
- (b) If so,
- (i) Is there an audit and control procedures manual?
- (ii) How many people are employed in the internal Audit department & IT Audit?

- (iii) How often are full internal audits made?
- (iv) Are audits made regularly on a surprise basis?
- (v) Are all premises, including computer centres
And facilities included in the audit?
- (vi) Is the person responsible for the auditing forbidden
To originate entries ?

22. State the name of the independent firm of the Chartered Accountants of professional Auditors or other competent Authority who fully audit your Accounts annually.

In addition Please state:

- (a) Frequency of Audit
- (b) (i) Does the audit include all banking offices.
(ii) If not, what extent does the audit take?.
- (c) Do the auditors visit all branches ?
- (d) (I) Does the firm Authority regularly review the system of internal control and furnish written reports?
(ii) If so, do these reports of directly to the Board of Directors?.

State Details of :

Head Office

Main Branches

23.VAULTS AND STRONGROOMS

- (a) Are there vaults and strongrooms ,
on the Premises?.
- (b) Are they equipped with
 - (i)a dual combination lock?
 - (ii)Time lock?
 - iii)A lockable day gate?
- (c) (I) Are the walls, floors and
celings of reinforced
concrete and lined with steel?
(ii) State thickness of walls
- (d) (I) State the name of the manufac-
turer of the vault door.
(ii) State type, age and reference
number of door
(iii)Are doors of arc,torch and
drill resistive materials?

- (iv) Do they have anti explosive device in the doors?.

If any of the above are answered “NO”
Please describe alternative method of
Or type of protection .

24. SAFES

Head Office

Main Branches

- (a) Are there safes on the premises?
- (b) Are they equipped with combination locks with a relocking device that will effectively lock the door if the combination is punched?.
- (b) (I) State the name of the manufacturer.
- (ii) State type, age and reference number
- (iii) Are Safes fitted with combination locks?.
- (iv) Are doors of arc, torch and drill resistive material
- (v) Do safes have an anti explosive device in the door?.
- (c) Are safes anchored to the floor or Alternatively do they weigh not. Less than 70 kgs empty ?.

If any of the above are answered “NO”
Please describe alternative method of
Or type of protection.

25. DOORS AND WINDOWS

- (a) Are all doors fitted with substantial locks?
- (b) Are all windows fitted with substantial locks or barred?

26. ALARMS

- (a) Are there alarm systems against burglary?
- (b) Are they connected to :
 - (i) Central Station
 - (ii) Police Station
 - (iii) Elsewhere (describe).

27 . TELLERS POSITIONS ?

- (a) Are there alarm systems against robbery?
- (b) Does each teller have a robbery alarm button or pedal?
- (c) Are tellers ' positions protected by anti - bandit glass?
- (d) Are tellers'positions separated from the rest of the banking Hall by a suitable partition with doors kept locked during Banking Hours?

Head Office

Main Branches

- (e) Is cash in excess of the amounts referred to in question of this Proposal removed immediately to a locked safe, vault or other protected place?
- (f) Are all cashiers cash holdings taken to safe/vault when vault is closed?
- (g) Are cashiers provided with "Bait" or "Decoy money?"

Note : "Bait " money consists of currency notes , serial numbers and serial years of which have been recorded and verified by a second employee and left in a safe place. Such 'Bait ' money should be given to cashiers to be handed out only in the event of a robbery.

28. GUARDS

- (a) Do police patrol and inspect premises?
- (b) Do you have armed guards
 - (i) By day?
 - (ii) By night?
- (c) Are they provided by :
 - (i) Police?
 - (ii) Agency?
 - (iii) The Bank itself?

(d) Are they protected by bullet proof cages?

(d) How many night watchmen do you employ?

29. TRANSIT:

(a) Is transfer of money, bullion etc. and negotiable Securities usually made by armoured motor vehicle?

(b) If the answer to (a) is no please explain what Method of conveyance used.

(c) In respect of all other transits:

(i) How many messengers do you employ?

(ii) Are messengers accompanied by Police or armed guards?

(iii) Are trips scheduled at irregular intervals and over varying routes?

(iv) Is a private conveyance used?

(v) Do you provide a messenger service for any customers?

(vi) Do you make up payrolls for customers and deliver them to factories?

Head Office

Main Branches

(vii) If so, does your responsibility cease immediately on arrival at customers premises?

30. OTHER PROTECTIONS

(a) Please specify other protection devices such as:

Camera systems

Electrical money traps

Or any other security measures not mentioned herein.

Any policy issued will be a contract of indemnity designed to protect the insured from fortuitous loss directly and uninterruptedly resulting from defined happenings or conduct.

Manifestly it is not the intention of the insurers or the insured to cover the hazards of trading to do so would be to translate the role of insurer into that of co-venturer with the right to participate in trading profits. This is a statement of intent and shall not be construed to broaden the coverage provided by the policy terms and conditions.

We declare that the statements and particulars in this proposal are true and that we have not misstated or suppressed any material facts. 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 insurers 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.