

KERALA STATE INSURANCE DEPARTMENT



PROPOSAL FORM FOR FIDELITY GUARANTEE INSURANCE (EMPLOYER)

SCOPE OF COVER: This insurance policy provides indemnity to employers against any direct financial loss, including loss of goods caused by fraud or dishonesty of employees.

EXCLUSIONS This Insurance Policy does not cover any loss.

- a) Discovered more than 12 months after the termination either of the guarantee or of the service of the employee concerned.
- b) When there has been any change in the agreed system of check or accounting precautions without the insure's prior consent.
- c) Caused by an employee after discovery of his previous fraud or dishonesty.
- d) Such as stock taking shortages trading losses not caused by fraud or dishonesty.

BASIS OF INSURANCE

Named employees
can be selected and guaranteed for specified amount. Employees can be guaranteed for a total amount overall or for separate amounts in respect of different categories.

NOTE: PLEASE ANSWER EVERY QUESTION AND FULLY

a) Name and address of the Employer

b) Description of Business

c) Since when established

d) Paid Up Capital (if applicable)

Names	Duties	Since when in service	Place of Employment	Total remuneration	Amount to be guaranteed	Any other security taken

2. Details of Employees to be guaranteed.

3. Stated the estimate of maximum amount held by any employee at any one time and for how		
a) Money	Amount Rs.	
b) Stock	Amount Rs.	

4.	Has there been any occasion to question honesty or conduct of any person proposed for guarantee.	
5.	a) How often are the employees required to account for money ?	
	b) What independent system is there to check that all sums received by employees are accounted for ?	
6.	a) Do employees pay out money or draw cash from employer's account ?	
	b) System of operation of Bank account and precautions taken	
	c) Whether such payments/withdrawals are authorized by a senior employee and compared with supporting documents ?	
7.	How often the cash book is balanced, the entries checked with vouchers and Bank's pass book and with counterfoils of receipt books ?	
8.	How often are the Proposer's books balanced ?	
9.	a) System followed for purchase of goods and recording deliveries	
	b) System followed for authorized dispatch of goods and ensuring that dispatch is recorded and charged to the customer.	
10.	How often and by whom stock verification is done ?	
11.	System for collecting outstanding accounts?	
12.	How often will statements account be furnished by the proposer direct to customers?	
13.	What is the extent and frequency of audit?	

14.	Details of losses suffered on account of infidelity of any employees during last 5 years and steps taken to prevent recurrence.	
15.	Has any company in respect of any fidelity guarantee insurance.	
	a) Declined your proposal	
	b) Cancelled or refused to renew policy ?	
	c) Accepted your proposal on special terms and conditions	

I/We hereby declare and warrant that the above statements are true and complete. I/We agree that this proposal and the declarations shall be the basis of the contract between me/us and the department and I/We agree to accept a policy subject to the conditions prescribed by the department and to render at the end of each period of insurance a statement in the form required by the department of all money conveyed and to pay premium on the amount in excess of the amount estimated above.

Signature of the Proposer

Date :

Palce :

PROHIBITION OF REBATE

Section 41 of the Insurance Act, 1938

1. No person shall allow or offer to allow either directly or indirectly as inducement to any persons 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 show on the policy nor shall any person taking out or renewing or continuing a Policy accept any rebate except such rebate as may be allowed in accordance with the published prospectuses on table of the insurer.

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