

CrimeSHIELD Policy



FOREIGN OPERATIONS QUESTIONNAIRE FOR COMMERCIAL RISKS

NAME OF INSURED: _____
ADDRESS: _____

Date: _____

A. GENERAL INFORMATION

1. List the name and location of each foreign operation and describe its activity. (If necessary, attach a narrative)
 - a. _____
 - b. _____
 - c. _____
 - d. _____
 - e. _____
2. Are all foreign operations managed by U.S. citizens? Yes No
If No, please explain: _____
3. Does the officer or manager in charge hire their own staff? If Yes, Yes No
 - a. Is documentation sent immediately to a U.S. Office? Yes No
 - b. Is the payroll reconciled regularly by a U.S. Office? Yes No
4. Does the branch purchase inventory from local suppliers? If Yes, Yes No
 - a. Is a copy of the purchase order forwarded to your U.S. Office? Yes No
 - b. At what intervals: _____
 - c. How often are purchase orders reconciled against inventory levels? _____

B. AUDITS

1. How often are surprise audits made at each of the foreign locations by:
 - a. U.S. control or supervisory office employees? _____
 - b. Outside CPA? _____
 - c. Other (Identify)? _____
2. Do you have an internal audit department? Yes No
If Yes, does your internal audit department visit all foreign locations? Yes No
3. Are physical counts of raw material, finished goods, equipment, etc. taken by employees who do not have custody or control of inventory records? Yes No
 - a. How often? _____
 - b. Are these inventory results reported directly to the U.S. Office? Yes No
If No, please explain: _____

C. ACCOUNTING

1. Do foreign locations perform their own accounting operations? Yes No
2. Do these accounting methods and systems differ from those used in your domestic operations? Yes No
If Yes, please explain: _____

3. Are your foreign receivables paid
- a. Directly to your Home Office (in the U.S.A. or Canada)? Yes No
 - b. To a foreign bank account from which your foreign employees cannot make withdrawals? Yes No
 - c. To your foreign office? Yes No
- If Yes,
- 1. Are checks immediately endorsed "For Deposit Only"? Yes No
 - 2. Are receipts recorded by someone who does not prepare the deposit slip or make deposits? Yes No
 - 3. Are validated (not photocopied) deposit slips sent to you at regular intervals? Yes No
4. Are your foreign accounts payable paid
- a. By a central office (U.S.A. or Canada)? Yes No
 - b. By foreign offices? Yes No
- 1. Out of an "Impress Funds" account? Yes No
 - (a) What is the account limit? _____
 - (b) At what interval is it replenished? _____
 - 2. Are invoices, purchase orders and receiving documentation reconciled prior to drawing a check by someone not assigned to purchasing or receiving functions? Yes No
 - 3. Does all supporting documentation accompany all checks for signature? Yes No
 - 4. Are supporting documents voided after the check has been signed? Yes No
 - 5. Are all checks countersigned? If No Yes No
 - (a) Who can sign? _____
 - (b) What is their limit of authority? _____
 - 6. Is there a specific limit set on the amount which may be disbursed to any one payee without specific prior approval by you? Yes No
5. Is a copy of a monthly bank statement sent directly from the bank to the U.S. control office? Yes No
6. What controls are exercised over expense advances, expense accounts and personal living allowances? _____
7. Are the foreign locations subject to the same controls and procedures as followed in the U.S. office in the following areas:
- a. Computer Operations? Yes No
 - b. Purchasing and related functions? Yes No
 - c. Pre-employment checks? Yes No

Completed by: _____

Title: _____