

PROPOSAL FOR JEWELERS BLOCK POLICY

ADVANCED E & S GROUP
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GENERAL INFORMATION - ALL QUESTIONS MUST BE ANSWERED

<p>NAME OF APPLICANT (Include all operating names and all subsidiaries to which the insurance is to apply.)</p> <p>MAIL ADDRESS (Number-Street-City or P.O.-County-State-Zip Code)</p> <p>PHONE NUMBER:</p> <p>The names of the individual of our firm or of the officers of our corporation are:</p>	<p>PRODUCING AGENT</p> <p>PHONE NUMBER: _____</p> <p>FAX NUMBER: _____</p>
<p><input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> JOINT VENTURE <input type="checkbox"/> CORPORATION <input type="checkbox"/> OTHER</p>	<p>BUSINESS OF APPLICANT - Based on % of sales Retail _____% Wholesale _____% Mfg. _____%</p>
<p>POLICY PERIOD: _____ (Check Applicable) _____ 12:01 A.M. _____ Noon (Local Standard Time) FROM: _____ TO: _____ At The Address Of The Applicant As Stated Herein.)</p>	

1. The premises to be insured are located at _____.
 Note: If more than one location, this is location No. ____ of a total of ____ Locations
2. The number of entrances open to the public are ____ And the number of not open to the general public are ____.
 The usual business hours are _____.
 The business has been at this location since (mo. & yr.) _____ and at previous location since _____.
3. Total # of employees _____ Minimum # on premises during business hours, _____.
4. Stock record is maintained () Yes () No Describe on Page 4. The frequency of inventory is: _____
5. (A) Number of inside showcases _____ (B) Are they equipped with key locks? () Yes () No
 (C) Describe locks _____ (D) Are showcases kept locked when unattended? () Yes () No

**ADDITIONAL QUESTIONS ON PAGE 4 MUST BE COMPLETED
 COVERAGE INFORMATION**

1. Amount(s) of Insurance Desired:

A. On stock (including other people's goods)	\$ _____
B. On money in Locked Safe at Proposer's premises by forcible entry into the safe	\$ _____
C. On patterns, molds, models and dies at Proposer's premises	\$ _____
D. On furniture, fixtures & equipment at Proposer's premises	\$ _____
E. On Tenants Improvements & Betterments at Proposer's premises	\$ _____
2. The amounts of insurance under Item 1A shall be limited to the following:

(A) \$	in respect of property within the Insured's premises as described herein;
(B) 1. \$	in respect of property in transit by first class registered mail (i.e. shipments in excess of \$25,000).
2. \$	in transit by armored car service.
3. \$	deposited in the safe or vault of a bank or safe deposit company.
4. \$	in respect of property at dealer, jobber, manufacturer for repair, etc.
5. \$	in the custody of commission salesmen or selling agents.
(C) \$	in respect of shipments in transit by customer parcel delivery service and the parcel transportation service of railroads, waterborne or air carriers and passenger bus lines.
(D) \$	in respect of property elsewhere and not included in Clauses (A), (B) and (C) above or otherwise limited herein.

3. OPTIONAL COVERAGE AND PROVISIONS:

- a. Coverage is desired for "ALL RISKS" EXCLUDING FIRE, EC and V.M.M. (DIC)
 - b. Do you want peak season increase in your premises stock limit? Yes No If yes, complete time period.
From _____ To _____ Amount of increase by \$ _____ To \$ _____
 - c. Deductible: \$1,000 \$2,500 \$5,000 \$10,000 Higher deductible available upon request.
Indicate amount \$ _____
 - d. Do you want coverage at exhibitions promoted or financially assisted by a public authority or trade association?
() Yes () No If yes, give details listing the amount to be insured, location, dates, number of people, protection during the show and after hours and the type of transportation to and from _____
4. Are you a member of Jewelers' Security Alliance? () Yes () No
5. Are you a member of a trade association? () Yes () No Name: _____

RATING & UNDERWRITING INFORMATION

INCORRECT INFORMATION FROM HERE ON WILL PREJUDICE INSURANCE APPLIED FOR

- 1. Within your knowledge has any insurer ever cancelled or refused to issue or to continue any insurance for you? Yes No
If yes, explain details
- 2. **PREMIUMS AND LOSSES:** Give statement covering all losses (insured or uninsured) during the past 5 years involving property covered by this form of policy, with dates, nature of loss, amount, name of insurer, and whether paid in full or otherwise.

POLICY YR	INSURER	PREMIUMS	LOSS DATE	LOSS INCURRED	LOSS PAID	NATURE OF LOSS

DESCRIBE STEPS TAKEN TO PREVENT REOCCURENCE INCLUDING ANY SECURITY IMPROVEMENTS ON PAGE 4.

3. PROPOSER, EMPLOYEES, MEMBER OF THE FIRM OR OFFICERS OF THE CORPORATION OR COMMISSION SALESMEN OR SELLING AGENTS, HAVING PROPERTY IN THEIR CARE, CUSTODY AND CONTROL OUTSIDE OF OUR PREMISES DURING THE LAST 12 MONTHS: Note: All carrying of goods outside of the Proposer's premises must be reported in this section.

A. Within 100 miles radius of Proposer's premises

NAME	NUMBER OF DAYS	AVERAGE AMOUNT	MAXIMUM AMOUNT	LIMIT OF LIABILITY TO APPLY

B. Beyond 100 miles radius of proposer's premises, but within North America

C. Elsewhere

4. SHOW WINDOW DISPLAY AT PREMISES

Note: Show windows are only considered protected when: a) glazed with Underwriters Laboratory Approved Burglary Resisting Glazing material or b) they have swinging plate glass secondary to the window pane or c) steel bars or a steel grille cover the entire window or d) stock is displayed within a show or display case within the show window.

A. (1) Number of show windows _____ (2) How many are protected against window smashing by unbreakable glass, grill or metal bars, swing plate or similar protection?

B. During the term of insurance, the maximum value displayed will not exceed	PREMISES OPEN TO BUSINESS		PREMISES CLOSED TO BUSINESS	
	Protected	Unprotected	Protected	Unprotected
(1) in all windows & outside showcases	\$ _____	\$ _____	\$ _____	\$ _____
(2) in any one window	\$ _____	\$ _____	\$ _____	\$ _____
C. Limit of Liability to apply				
(1) in all windows & outside showcases	\$ _____	\$ _____	\$ _____	\$ _____
(2) in any one window	\$ _____	\$ _____	\$ _____	\$ _____

5. SHOWCASE AND SHOW WINDOW DISPLAYS OF PROPOSER NOT AT PREMISES OCCUPIED BY PROPOSER.

If Proposer desires insurance on property displayed in showcases or show windows in building lobby or elsewhere than at premises occupied by Proposer, furnish full particulars of each display

6. PREMISES PROTECTION (Attach copies of Alarm U.L. Certificates or Alarm Contract.)

A. ELECTRICAL BURGLAR ALARM SYSTEMS

- (1) Are your premises protected by a burglar alarm system? _____ central station? _____ or local alarm? _____ or police station connection? _____ Connected by direct alarm transmittal line or digital dialer ?
- (2) Is there line security? Yes No Type: _____
- (3) Name of protection company: _____
- (4) Underwriters Laboratories Certificate No. (Attach copy) _____ Date of expiration _____
Extent of protection (1, 2 or 3) _____ Grade (AA, A BB, B CC or C) _____
If not U.L. certified, include information from the protection company showing the equipment installed, maintenance agreement and the extent the premises are protected.

B. HOLDUP ALARM AND OTHER PROTECTIVE SYSTEMS

- (1) Is there a Central Station Holdup Alarm system protecting your premises? _____ Number of signal buttons? _____
Number of portable signal buttons? _____
- (2) Are premises protected by a watchman service? Yes No If yes, give details: _____
- (3) Are premises protected by closed circuit T.V. cameras or surveillance cameras? Yes No If yes, give details: _____
Does the system incorporate recorders? Yes No
- (4) Is the system in operation at all times when the Assured or an employee of the Assured is on the premises? Yes No
- (5) Do entrances have controlled access systems? Yes No
If yes, give details: _____
- (6) Is there an anti-ambush device or early morning switch incorporated into your alarm system: Yes No
If yes, give details: _____
- (7) Does premises have other protection which would prevent loss? Yes No
If yes, give details: _____

7. SAFES AND VAULTS

A. Give full particulars of each safe or vault, including time lock, relocking device, tear gas system, etc.

SAFE OR VAULT NO. 1

SAFE OR VAULT NO. 2

Give burglary and/or fire rating, thickness of metal, outside measurements, type of lock.

B. ARE SAFES & VAULTS PROTECTED BY ELECTRICAL BURGLAR ALARM SYSTEM

- (1) Completely (meaning all sides & doors)
- (2) Partially (meaning doors only)

Name _____
Central Station _____ Local _____
U.L. Cert. No. _____
Expiration _____
Name _____
Central Station _____ Local _____
U.L. Cert. No. _____
Expiration _____

Name _____
Central Station _____ Local _____
U.L. Cert. No. _____
Expiration _____
Name _____
Central Station _____ Local _____
U.L. Cert. No. _____
Expiration _____

8. REPRESENTATIONS AS TO PROPERTY INSURED DURING TERM OF INSURANCE AT ALL TIMES WHEN PREMISES ARE CLOSED: (NOTE: THIS SECTION REFERS ONLY TO PROPERTY IN COVERAGE INFORMATION 1A)

- a (1) The proportion by value of property *on premises* to be kept in Locked Safes and Vaults protected as indicated under 7b (1) will be _____ %
 " " " " " " " " 7b (2) will be _____ %
- (2) The proportion by value of property *on premises* to be kept in other Locked Safes and Vaults will be %
- (3) The proportion by value of property *on premises* (including window display) out of Safes and Vaults will be %
- b (1) The proportion by value of property kept in Safe Deposit Vault of a Bank, Trust or Safe Deposit Company will be %
- (2) Name and address of Safe Deposit Vault _____

<p>9. INVENTORIES of all Property Wherever Located: If more than one premise give details at each.</p>	<p>e. NATURE OF STOCK AS PER LAST MERCHANDISE INVENTORY as set forth in Section 9a. (Excepting pledges)</p>
<p>If you can give your exact month inventories for the last twelve months, attach a slip here showing these inventories with the date of each and questions a., b., and c. of this section need not be answered.</p> <p>a. The last merchandise inventory of our own stock was taken on (give date) and was exactly \$ _____</p> <p>b. The previous merchandise inventory of our own stock at least six months prior to (a) was taken on (give date) and was exactly \$ _____</p> <p>c. The maximum amount of our own stock during last twelve months did not exceed \$ _____</p> <p>d. The estimated average daily amount of other people's property in our custody or control during the last 12 months, insured or uninsured, for any purpose whatsoever, was:</p> <p>a. Consignment \$ _____</p> <p>b. Retail customers \$ _____</p> <p>c. Customers in the trade \$ _____ of which unset diamonds (non-industrial) was _____ %</p> <p>Note - This should not include property of others in the jewelry trade deposited with the Assured for safe custody only.</p>	<p>(1) Unset diamond & precious gems % *</p> <p>Unset semi-precious stones % *</p> <p>Set diamonds & precious gems % *</p> <p>(2) Karat Gold Jewelry & Cultured Pearls .. % *</p> <p>(3) (a) Watches-valuable (\$200 cost plus) % *</p> <p>* NOTE: MAJORITY OF THESE VALUES MUST GO IN SAFE</p> <p>(b) Other watches, watch cases, movement parts, etc. %</p> <p>(4) Sterling Silver jewelry %</p> <p>(5) Other Jewelry - not Karat gold, diamond and precious gems or cultured pearls %</p> <p>(6) Silver Plate and Stainless Steel %</p> <p>(7) China and Crystal %</p> <p>(8) Electrical, audio, gift & optical %</p> <p>(9) Misc. Mdse - clocks, pens, pencils, luggage, trophies %</p> <p>(10) Repairs & Engraving Materials %</p> <p>(11) Other stock - describe %</p>

10. SHIPMENTS: THE TOTAL AMOUNT OF PROPERTY SHIPPED DURING THE LAST 12 MONTHS IS:

- a. FIRST CLASS REGISTERED MAIL BY UNITED STATES POST OFFICE\$ _____
- b. AIR EXPRESS AND RAILWAY EXPRESS (DOES NOT INCLUDE U.S. POST OFFICE EXPRESS MAIL).....\$ _____
- c. ALL OTHER SHIPMENTS - DESCRIBE CONVEYANCE \$ _____

11. THE ESTIMATED AVERAGE DAILY AMOUNT OF PROPERTY IN THE CUSTODY OR CONTROL OF OTHERS, EXCEPT AS OTHERWISE PROVIDED DURING THE LAST 12 MONTHS WAS \$ _____ This refers to coverage requested under 2(B)4. **IMPORTERS:** Include values of property in the custody of United States Customs, appraisers' stores and custom house brokers.

12. EXPIRATION DATE OF CURRENT JEWELERS' BLOCK POLICY _____

13. INCLUDE REPLACEMENT COST (90% CO-INSURANCE REQUIRED) _____

14. INCLUDE COMMERCIAL GENERAL LIABILITY YES _____ NO _____

Limits required _____

Annual Receipts _____

PLEASE MAKE SURE THAT THE FOLLOWING ITEMS ARE COMPLETED BEFORE RETURNING THE PROPOSAL FORM TO SIG:

- Have all the questions been properly answered? If a question is not applicable, please indicate "N/A".
- Has all of the information requested in the application been included?
- Has the application been signed and properly dated by applicant and agent?
- Has page 4 been completed? IF NOT, QUOTE CANNOT BE PROVIDED.

The signing of this form does not bind the Proposer or the Underwriters to complete the insurance, but it is agreed that this form shall become a part of the policy contract if issued and the answers to the questions provided by the Proposer or his Agent/Broker under RATING & UNDERWRITING INFORMATION shall constitute a representation should a contract be issued. Please recognize the producing agent or broker whose name appears herein as my agent for the handling and negotiating of the policy herein applied for.

Applicable in all States

Stock Records - keep full and detailed records of all purchases, sales and transactions of insured stock, and that such records of all purchases shall be made available for inspection by the insurers or their representatives in the case of a claim being made under this insurance. These records shall be used by insurers in order to assist in substantiating the quantum of loss and indemnity shall be dispensed on this basis.

This takes precedent to all other conditions related to stock records that may be contained herein.

Applicable in Ohio

Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing false or deceptive statement is guilty of insurance fraud. Ohio House Bill No. 347

Applicable in Florida, Idaho, and New York, and Pennsylvania

Any person who knowingly and with the intent to injure, Defraud, or Deceive and Insurance Company Files a Statement of Claim Containing any False, Incomplete or Misleading Information is Guilty of a Felony. *+

- *In Florida and Pennsylvania - Third Degree Felony
- +In New York - Insurance Fraud in Third Degree - Class A Misdemeanor
- In Second Degree - Class E Felony
- In First Degree - Class D Felony

Applicable in New Jersey

Any person who knowingly and with intent to defraud any insurance company or other persons, files a statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact, material thereto, commits a fraudulent insurance act, which is a crime, subject to criminal prosecution and civil penalties.

Agent or Broker Signature _____

WITNESS

PROPOSERS NAME

Date _____

Signed By: _____
AUTHORIZED OWNER, OFFICER OR PARTNER(TITLE)

TO BE PROVIDED BY AGENT OR BROKER RECOGNIZED ABOVE.

GENERAL INFORMATION (Attach Photos of Risk if possible.)

CONSTRUCTION: INTERIOR: Walls _____ Floors _____
Ceiling _____ No. of stories _____
EXTERIOR: Walls _____ Roof _____

IS RISK SPRINKLERED? YES NO

FIRE PROTECTION: By Fire Dept. Of _____

SUPERVISED? YES NO VOLUNTEERS HYDRANTS

NAME OF SUPERVISING CO. _____

OCCUPANCY: Left Side _____ Right Side _____
Above _____ Below _____

NEIGHBORHOOD: Modern Old Rundown Nearest Police Station _____ Miles.

I.S.O. OR L.A.O. FIRE RATES: Bldg. _____ Stock _____ Other Contents _____

NOTES

1. (A) Does the Proposer or the principals of this firm own or operate any other enterprise engaged in the jewelry business? Please list:

(B) Have any of these enterprises listed experienced a loss? If so, explain:

2. Is any area of the Proposer's premises leased to or shared with other independent interests? If yes, is it the Proposer's intent to include coverage for merchandise while in their custody?
3. On a separate sheet, draw a diagram of premises showing location of counters, safes, offices, protective devices, i.e. ultrasonic, etc. Details of Alarms and location of Security Cameras. Please be sure to include all windows and doors.

BROKERS GUIDELINES GENERAL SECURITY REQUIREMENTS

This is the Broker's Guidelines for Advanced E & S Group security requirements for its Jewelers Block Program. This is a GUIDELINE to help you and your clients with the Insurance Company's requirements for the various types of operations. The requirements can vary depending upon the area of the country in which the risk is located. For higher metropolitan areas, security requirements may need to be increased and decreased for areas with lower population and crime rates. The following is our guideline and the minimum security requirements accepted.

UNDERWRITERS' LABORATORY (U.L.) CERTIFIED ALARM SYSTEMS

On values up to \$100,000, it is not mandatory that there be a U.L. Certified Alarm System. However, it must be an alarm company and system that meets the insurance company's requirements. Generally, the insurance company is looking for reputable Alarm Companies using U.L. approved monitoring systems, installation and component parts. The agent must provide complete details of the system including any U.L. ratings.

Group 1 - Values to \$50,000

- A. The safe should be a heavily constructed safe with a combination lock with a minimum ½" thick steel construction. It is required that the safe be partially protected by the alarm system.
- B. Minimum Two hold-up buttons.
- C. A Premises Burglar Alarm System connected to a Central Station or a Police Station covering all doors, windows and any other opening.
- D. If the premises alarm does not provide line security, the alarm wires must be buried underneath the ground or on top of building with a local bell attached to the building along with battery back-up in case of a power failure.

Group 2 - Values from \$50,000 to \$150,000

- A. The Safe should be classified as U.L. listed TL-15 rating or equivalent, with combination lock and either partial protection on the safe or completely protected. This can be done by all sides of the safe being alarmed or a heat & vibration sensor inside the safe with a proximity alarm protecting the outside.
- B. Minimum Two hold-up buttons.
- C. A Premises Alarm System protecting all accessible and inaccessible openings, such as door and windows with a beam or ultrasonic, connected to a Central Station, or Police Station and incorporating U.L. approved Line Security feature. Underwriters may accept long range radio or cellular back-up - submit for approval.

Group 3 - Values from \$150,000 to \$200,000

- A. Minimum U.L. listed TL-30 rated safe with a relocking device. Safe must be completely protected by the alarm system. If partially protected (i.e., door contact on the safe only), must submit to company for approval.
- B. Minimum Two hold-up buttons.
- C. A complete premises U.L. Certified Extent 3 or 2, Grade AA, alarm system connected to a Central or Police Station with line security protecting all accessible and inaccessible openings, walls, ceilings and floors.

Group 4 - Values from \$200,000 to \$300,000

- A. Minimum U.L. listed TL-30 rated safe with a combination and relocking device that is hooked up on a separate circuit from the premises alarm and wired completely to the safe. Please refer to application for definition of complete protection on page three of the application. There must be, in addition to this, a U.L. Approved Alarm System Extent 2 or 3, Grade AA, burglar alarm system that incorporates a line security feature.
- B. Minimum 2 Hold-up buttons. (Suggest an additional portable one to be held by the store manager.)
- C. A complete premises alarm system, U.L. Certified, Extent 2, Grade AA, covering all accessible and inaccessible openings, walls, ceilings and floors. The alarm circuit for the safe should be on a separate circuit, complete protection on the safe and with line security connected to a Central Station or Police connect.

Group 5 - Values over \$300,000 to \$500,000

- A. Minimum U.L. listed, TRTL15 X 6 rated safe with combination lock protected by a complete burglar alarm system with line security and on a separate circuit from the premises alarm.
- B. Minimum 3 Hold-up buttons.
- C. A complete premises Alarm System that is U.L. Certified, Extent 2, Grade AA, covering all accessible openings and any walls or ceilings or floors that are not constructed of reinforced concrete. The alarm circuit on a separate circuit from the safe, with line security connected to a Central Station.
- D. Surveillance Camera with recording device in use and on during business hours and continuously aimed at the showroom area. You are also required to maintain a minimum of seven tapes for a one-week period before reusing the tape over again.

Group 6 - Values from \$500,000 - plus

- A. Minimum U.L. listed TRTL30 x 6 rated safe with combination lock and relocking device protected completely by a burglar alarm system with line security connected by a separate circuit from the premises alarm.
- B. Minimum 3 Hold-up buttons.
- C. A complete premises U.L. Certified Extent 2, Grade AA, alarm system connected to a Central Station or, if not available, Police connect, covering all accessible and inaccessible openings including any walls, ceilings and floors that are not constructed of heavy reinforced concrete.
- D. Surveillance Camera with recording device in use and on during business hours and continuously aimed at the showroom area. You are also required to maintain a minimum of seven tapes for a one-week period before reusing the tape over again.

For retail Jewelers in excess of \$150,000 in inventory, we suggest a Surveillance Camera as one solution against holdups and shoplifting. The camera should be focused on the entry door or showroom area with a recording device on and in use during business hours with a minimum of one week's worth of taping providing a back-up system.