

Combined Insurance Proposal Form for Financial Institutions

Included in this Proposal:

- Proposal Form (Pg 1 – 15)

Addendums to complete if applicable:

- Corporate Advisory (Pg 16 – 19)
- Lending Institutions (Pg 20 – 24)
- Stock Brokers (Pg 25 – 28)
- Underwriting Agencies (Pg 29 – 32)



Important Notice

Claims Made Insurance

This is a proposal for a 'Claims Made' policy of insurance. This means that the policy covers you for any claims made against you and notified to the insurer during the policy period. The policy does not provide cover in relation to:

- acts, errors or omissions that occurred prior to the retroactive date (if one is specified) in the policy;
- any claim made, threatened or intimated against you prior to the commencement of the policy period;
- any claim or fact that might give rise to a claim, reported or which can be reported to an insurer under any insurance policy entered into before the commencement of the policy period;
- any claim or fact that might give rise to a claim, noted in this proposal or any previous proposal;
- any claim arising out of any fact you are aware of before the commencement of the policy period;
- any claim made against you after the expiry of the policy period.

However, the effect of Section 40(3) of the Insurance Contracts Act 1984 (Cth) is that where you become aware, and notify us in writing as soon as is reasonably practicable after first becoming aware but within the policy period, of any facts which might give rise to a claim against you, any claim which does arise out of such facts shall be deemed to have been made during the policy period, notwithstanding that the claim was made against you after the expiry of the policy period.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984 (Cth), to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of its business, ought to know;
- as to which compliance with your duty is waived by the insurer.

Non Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Privacy Notice

Liberty Specialty Markets is a trading name of Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605) incorporated in Massachusetts, USA (the liability of members is limited) (**Liberty**). It is a member of Boston-based Liberty Mutual Group. Liberty Australia's head office contact details are:

Address: Locked Bag 18, Royal Exchange NSW 1225, Australia
Phone: +61 2 8298 5800

Liberty is bound by the Privacy Act 1988 (Cth) and its associated Australian Privacy Principles when it collects and handles your personal information.

Liberty collects personal information, including from insurance brokers, in order to provide its services and products, manage claims and for purposes ancillary to its business. Liberty passes it to third parties involved in this process such as Liberty's related companies, reinsurers, agents, loss adjusters and other service providers. We may store your information with third party cloud or other types of networked or electronic storage providers. Third parties may be located locally or overseas in the United States, Canada, United Kingdom, Singapore, Hong Kong and Malaysia. Your information may be transferred to countries without comparable privacy laws if it is reasonably necessary to provide you with the products or services you seek from Liberty. If you do not provide the personal information Liberty or other relevant third parties require to offer you specific products or services, Liberty may not be able to provide the appropriate type or level of service.

If you wish to gain access to or correct your personal information, make a privacy complaint, or if you have any query about how Liberty collects or handles your personal information please write to Liberty's Privacy Officer at the address above or by emailing: privacy.officer.ap@libertyglobalgroup.com. To obtain a copy of Liberty's Privacy Policy go to Liberty's website (www.libertyspecialtymarkets.com.au) or request a copy from Liberty's Privacy Officer.

Financial Institutions Insurance

Important: Please answer all questions fully. All questions will be deemed to be answered in respect of all entities & persons to be insured under this policy. If the space provided is insufficient please include attachments on your company letterhead.

Details of the Proposer

1. Please state the full name of all entities (including any subsidiaries) and persons to be insured (collectively referred to in this form as the "Proposers"):
2. Address of the principal office (please provide a street address only):

Street			City
State	Country		Postcode
3. Company details:
 - Registered company name
 - Country of registration
 - Date or year established
 - ABN
 - Website address
 - AFS licence number
 - Number of branch offices
4. **Attach** the CV of each partner or director.
5. Describe in detail the nature of the business and professional services performed by the Proposers:

Financial Institutions Insurance

Please Note: Please complete the **attached** addendum if any activities relate to Corporate Advisory, Lending, Stock Broking or Insurance Underwriting.

6. Please list any current memberships of professional associations held by the Proposers:
7. Do the Proposers engage any sub-contractor, agent or service provider to provide any professional services? Yes No
If "Yes",
a) What percentage of professional services is provided by any sub-contractor, agent or service provider? %
b) Specify professional services sub-contracted:
c) Is proof of current professional indemnity insurance obtained from sub-contractors, agents or service providers? Yes No
8. Have the Proposers ever been involved in any form of joint venture? Yes No
If "Yes", please provide details.
9. During the last 3 years, has there been:
a) Any acquisition or merger involving the Proposers? Yes No
b) Any change in capital structure of the Proposers? Yes No
c) Any change in the name of the Proposers? Yes No
d) Any substantial change in the business or professional activities of the Proposers? Yes No
10. Are the Proposers licensed by any regulatory authority? Yes No
If "Yes", please list the regulatory authority.

Financial Institutions Insurance

11. Are the Proposers:

- | | | |
|---|------------------------------|-----------------------------|
| a) A Private Company? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b) A Public Company? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| c) Listed on the Australian Stock Exchange? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| d) Listed on any foreign Stock Exchange? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If the answer to (d) is "Yes", please list the foreign Stock Exchange.

- | | | |
|---|------------------------------|-----------------------------|
| e) Are the Proposers' shares traded in any other way? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
|---|------------------------------|-----------------------------|

If "Yes", please provide details.

12. Are there any directors who control 10% or more of the issued shares? Yes No

If "Yes", please list the directors and the percentage of shares held.

%
%
%
%
%

13. Do the Proposers require cover for any Outside Directorships? Yes No

If "Yes", please complete Schedule A **attached**.

Fee Income

14. Please list the actual & estimated fee income:

Location	Last Completed Financial Year	Current Financial Year Forecast	Next Financial Year Forecast
Australia & New Zealand	\$	\$	\$
USA	\$	\$	\$
Other	\$	\$	\$
Total	\$	\$	\$

Financial Institutions Insurance

15. Please advise the approximate percentage of the Proposers' fee income generated in the last completed financial year from the following activities:

Activity	% of Fee Income
Financial Institutions	
Bank	%
Credit unions	%
Building societies	%
Finance company	%
Corporate Advisory*	
Capital raising / IPO / 2PO	%
Underwriting	%
Corporate finance / structured finance	%
Strategic analysis	%
Divestitures	%
M&A	%
Company / asset valuation	%
Stockbroking*	
Advisory	%
Discretionary management	%
Underwriting	%
Execution only	%
Asset Management	
Domestic equities	%
Global equities	%
ETF - domestic	%
ETF - global	%
Fixed income - domestic	%
Fixed income - global	%
Fund of funds	%
Hedge fund	%
Mortgage fund	%
Property trust	%
Private equity	%
Venture capital	%
Insurance	
Insurance company	%
Underwriting agency*	%
Other	
Please specify	%
Total must be	100%

* Please complete the addendum.

Financial Institutions Insurance

16. If any of the above activities listed are performed outside Australia, please list the country and the services provided there:

Country	Services
---------	----------

17. Does any one client represent 25% or more of any Proposer's fee income? Yes No
 If "Yes", please provide details.

Risk Management, Compliance and Audit Functions

18. Are verbal reports or advice always confirmed in writing? Yes No
 If "No", how are they substantiated?

19. Are standard forms of contract or terms of engagement always used by the Proposers? Yes No
 If "Yes", please **attach** copies of those contracts and describe the procedure to alter such standard form of contract or terms of engagement.
 If "No", please provide details of the basis of engagement used by the Proposers:

20. Are the scope of professional services to be performed always clearly set out in the contract or terms of engagement? Yes No
 If "No", how is this agreed?

Financial Institutions Insurance

21. Do the Proposers have an internal audit department? Yes No
If "No", who provides this service?

22. Have all recommendations arising from any audit (external or internal) been implemented? Yes No
If "No", please provide details as to why this has not been done.

23. Do the Proposers have a 'social engineering fraud' risk management framework in place and have they alerted and educated relevant staff in all locations of the 'social engineering fraud / fake president fraud' issue? Yes No
If "No", please provide detail on any additional controls you may have with regards to managing your exposure to social engineering fraud.

24. Do you require and record confirmation (either verbal or written), obtained from contact information (either a phone number or e-mail address) already held on file, to authenticate changes to bank accounts or personal details requested by:

- (i) Clients? Yes No
(ii) Third party vendors or suppliers? Yes No

If "No" to any of the above, please provide an explanation.

If instead this responsibility has been contractually outsourced to an external party such as an administrator or custodian bank, please provide details such as who this contracting party is and what additional controls you have with authenticating such changes.

Financial Institutions Insurance

25. a) Do you require and record confirmation (either verbal or written), obtained from contact information (either a phone number or e-mail address) already held on file, to authenticate all financial transfer instructions requested by:

- (i) Clients? Yes No
- (ii) Third party vendors or suppliers? Yes No

If "No" to any of the above, please provide an explanation.

If instead this responsibility has been contractually outsourced to an external party such as an administrator or custodian bank, please provide details such as who this contracting party is and what additional controls you have with authenticating such changes.

b) If such confirmation is not obtained for all financial transfers, is this undertaken for transfers over a specific amount? Yes No

Please advise the amount. \$

26. Is there an independent validation undertaken by another member of staff (not originating the change instruction) for:

- (i) Changes to bank account or personal details? Yes No
- (ii) Financial transfer instructions? Yes No

If "No" to any of the above, please provide an explanation.

Financial Institutions Insurance

27. Describe by **attachment** the formal procedures in place relating to the following:
- Risk management, quality control and / or compliance programmes.
 - The engagement of consultants, sub-contractors or agents, including any circumstances where the Proposers would limit such parties' liabilities.
 - The identification and reporting of incidents or facts which might give rise to a professional liability claim.
 - Peer review and dual sign-off or approval in respect of any aspect of the business or professional services provided by the Proposers.
 - The evaluation and approval of new clients, contracts and tenders.
 - Identification and management of conflict of interest.
 - When were the above procedures established, how regularly are they reviewed and whom are they reviewed by?

If such procedures are not in place, please advise how these exposures are managed.

Internal Control

28. Do the Proposers segregate the following duties so that no one employee is permitted to control any transaction from commencement to completion?
- | | | |
|---|------------------------------|-----------------------------|
| a) Signing cheques or authorising payments of any nature above \$20,000 | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b) Issuing or amending funds transfer instructions | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| c) Opening new bank accounts | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
- If "No" to any of the above, please provide details.

29. Please advise the average value of any one fund transfer. \$

30. Please advise the maximum value of any one fund transfer. \$

31. Please advise how frequently a transfer of maximum value would be undertaken.

32. Please advise the security measures in place for funds transfers such as call-back or other authentication procedures.

33. Are all computer passwords withdrawn when people cease employment? Yes No

Claims History

Please Note: It is critical that you makes appropriate enquires of all persons and entities intending to be insured under this insurance before answering Questions 33 – 38.

34. Has any partner or director of the Proposers had any fine or penalty imposed or ever been subject to any disciplinary proceedings or any regulatory or official inquiry? Yes No
If "Yes", please provide details.
35. Has a professional liability claim, a directors & officers liability claim or a crime loss ever been made against, or claimed by the Proposers (or any previous company name used by the Proposers), or any past or present partners, directors or employees of the Proposers? Yes No
If "Yes", please provide details including nature of the allegations, claimant, current status, reserve amounts, loss or amounts paid.
36. Are the Proposers including any of their partners, directors or employees aware of any facts which might give rise to a professional liability claim, a directors & officers liability claim or a crime loss? Yes No
If "Yes", please provide details.
37. Have the Proposers ever had any entitlement to indemnity under any insurance policy denied or otherwise affected due to non-disclosure, misrepresentation or breach of a policy provision? Yes No
If "Yes", please provide details.

Financial Institutions Insurance

38. Has any insurer ever refused to provide terms or offer renewal terms to the Proposers or has any insurance held by the Proposers ever been avoided or cancelled by an insurer? Yes No

If "Yes", please provide details.

39. Do the Proposers currently hold any similar professional liability, directors & officers liability or crime insurance? Yes No

If "Yes", please advise the following:

Insurer

Expiry Date

Sum Insured

Excess

Limit of Liability

40. Limit of Liability sought:

a) \$

b) \$

c) \$

41. Excess sought:

a) \$

b) \$

c) \$

Financial Institutions Insurance

Please be aware: With effect from 1 January 2018, unless LSM or its agents receive a Small Business Declaration from you, at the time of entering into the contract of insurance, LSM will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.

42. Please provide a breakdown of employee numbers by state, including the directors, officers and committee members:

ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Overseas	Total

Professional Liability Optional Extensions

Please Note: If you request any of these extensions, Liberty is not obliged to offer them. If Liberty decides to offer any of these extensions it may charge an additional premium. The below are descriptions of the cover only. To fully understand the cover provided by these extensions you must read the relevant clause in the policy wording and/or seek advice from your insurance adviser.

43. Cyber

Would you like the policy to be extended to provide cover for cyber liability, fines and penalties imposed due to privacy breaches, privacy regulatory expenses and mandatory notification costs incurred in respect of privacy breaches (all arising from the performance of professional services) and cyber extortion?

Yes No

If "Yes", please answer the following questions:

a) Do the Proposers enforce a software update process with the installation of software patches?

Yes No

b) Are critical patches prioritised and installed with immediate effect?

Yes No

c) Do the Proposers encrypt all sensitive and confidential data stored on laptop computers and portable media?

Yes No

If 'No' to any of the above, please provide an explanation.

Financial Institutions Insurance

d) Are the Proposers aware of any release, loss or disclosure of personally identifiable or confidential information in its care, custody or control, or anyone holding such information on behalf of the Proposer in the last three years? Yes No

e) Are the Proposers aware of any systems related problem, extortion threat, or network outage, which is likely to lead to suffering a loss or claim that would be covered by this insurance? Yes No

If 'Yes' to d) or e) please attach details on a separate attachment.

44. Loss Mitigation & Rectification

Would you like the policy to be extended to pay for the reasonable direct costs and expenses you incur in taking action to rectify or mitigate the effects of any act, error or omissions that would otherwise result in a claim covered under the policy? Yes No

45. Proportionate Liability

Would you like the policy to be extended to provide cover for liability you have assumed under a contract by reason of having contracted out of the operation of proportionate liability legislation? For example the Civil Liability Act. Yes No

46. Reinstatement

Would you like the policy to be extended so that in the event the limit of liability is exhausted, it is then reinstated once to cover future unrelated claims? Yes No

47. Statutory Liability

Would you like the policy to be extended to provide cover for claims made against the Proposers for pecuniary penalties the Proposers are required to pay for contraventions of statutory civil penalty provisions and no fault criminal offences arising from the performance of their professional services? Yes No

If 'Yes' please advise the following:

a) Have the Proposers ever suffered any civil fines and/or penalties in the past 5 years? Yes No

Directors & Officers Liability Optional Extensions

48. Additional Side A Limit

Would you like the policy extended to provide an additional limit for directors if the limit of liability is exhausted due to the payments of amounts insured under Part B of the policy?

Yes No

49. Company Securities Liability

Would you like the policy to be extended to provide cover for claims made against the Proposers by holders of the Proposers' securities?

Yes No

If "Yes", please answer the following questions:

a) Has there ever been, or is there now pending, any securities claims against the Proposers or any official inquiry into matter concerning the Proposers' securities?

Yes No

If "Yes", please provide details.

b) Are the Proposers aware of any facts which might give rise to a securities claim being made against the Proposers or which might give rise to an official inquiry into matters concerning the Proposers' securities?

Yes No

If "Yes", please provide details.

50. Employment Practices Liability

Would you like the policy to be extended to provide cover for claims made against the Proposers for employment related claims?

Yes No

If the answer to this question is "Yes", please answer the following questions:

a) Do the Proposers have written employment procedures (e.g. employee handbooks) that are available to each employee?

Yes No

b) Please list the number of retrenchments that have occurred over the last 12 months and please advise if any are expected over the next 12 months.

Declaration

(To be signed by the chairperson and an executive officer.)

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
 - that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
 - that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
 - that if a Contract of Insurance is entered into, all information and documentation supplied in proposing for this insurance shall be incorporated into and form part of such Contract of Insurance;
 - that we have read and understood the Important Notices which form part of this proposal;
 - that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers' acceptance of an offer by Liberty Specialty Markets, if any;
- that the proposed Insured is a small business with a turnover of less than AU\$2 million in the last financial year. Note that if No is selected or this question is left blank, LSM will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property. Yes No

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

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Corporate Advisory Addendum

1. Does the fee income specified in Question 14 include success or performance fees? Yes No

If "Yes", in the last 12 months, what percentage of the Proposers' fee income was derived from performance fees or success fees? %

Contract History

2. List the 5 largest contracts the Proposers have entered into over the past 5 years:

Client	Contract Period	Revenue	Services Provided
	From		
	To		
	From		
	To		
	From		
	To		
	From		
	To		

3. What is the average transaction size over the last 5 years for each activity:

- a) M&A \$
- b) Capital raising \$
- c) Corporate finance \$
- d) Divestitures \$
- e) Underwriting \$

4. With respect to engagement letters please comment on the following:

- a) Are indemnities obtained from clients? Yes No
- b) In the event that accountants or other professionals limit their liability do the Proposers insist on a provision which ensures their own liability is proportional to their own involvement? Yes No
- c) Are there procedures in place to protect the Proposers in the event that an indemnity is irrecoverable due to the insolvency of their client? Yes No

Corporate Advisory Addendum

d) Please comment on the procedures in place to ensure that any advice provided or documentation issued is in full accordance with local (and where applicable international) guidelines and regulations:

e) Do the Proposers ever enter into a transaction with an exclusivity clause, disallowing future or alternative involvement with a given transaction? Yes No

If "Yes", how is compliance with this clause monitored?

5. In relation to M&A transactions, please:

a) Provide details of how the Proposers ensure the confidentiality of any information obtained by themselves or their client.

b) Describe the Proposers' "Chinese Wall" procedures ensuring that sensitive information is ring-fenced from parties outside of the transaction.

Corporate Advisory Addendum

6. Please provide a brief narrative as to how the Proposers ensure that any statements made in any public document (e.g. an offer document or prospectus) are accurate and complete. In particular, please comment on the following:
- a) The utilisation of professional experts including accountants and lawyers to verify the accuracy of the content of such statements.
 - b) The extent to which reliance is placed on information supplied by the board and senior management of the client and whether this is disclosed to the ultimate user of such documents.
 - c) The procedures in place to ensure reasonableness of profit forecasts.
 - d) The procedures in place to ensure completeness of risk disclosures where applicable.
7. Is a secondary independent review conducted internally prior to the release of advice or documentation to ensure suitability and adherence with the pre-agreed engagement letter? Yes No
8. When due diligence work is undertaken do the Proposers ever undertake a central role coordinating the activities of other advisors? Yes No
- If "Yes", is the extent of the Proposers' proportional liability addressed in the engagement letter?

Declaration

I, the undersigned, declare and acknowledge:

- that I am, after enquiry, authorised by all person(s) or entities seeking insurance, to sign the addendum;
- that after enquiry, all information supplied in this addendum, is true and correct and that until a Contract of Insurance is entered into, I am obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that I understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that I have read and understood the Important Notices which form part of this proposal;
- that I understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers' acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

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Lending Institutions Addendum

1. Please provide by **attachment** CVs of key lending personnel & any investment or lending committee.

2. From where are loan funds sourced:

a) Shareholders? Yes No

b) Managed funds? Yes No

If "Yes", please provide by **attachment** a copy of the PDS or similar document issued to investors.

c) External financial institutions? If "Yes", please provide the following details: Yes No

i) Which institutions:

ii) The size of the facility:

iii) The expiry date of the facility agreement:

d) Other, please provide details.

3. Is any gearing utilised as a source of loan funds? Yes No

If "Yes", please provide details.

4. Do the Proposers operate under a delegated lending authority? Yes No

If "Yes", please provide by **attachment**, a copy of the agreement.

5. When was the latest audit by a third party relating to delegated lending authority breaches carried out and what were the findings of such audit?

Lending Institutions Addendum

6. Have all recommendations from the audit been carried out? Yes No
If "No", please provide details as to why this has not been done.
7. Please outline the loan approval process & authority levels within the organisation:
8. Is dual authorisation required on all loans? Yes No
9. Please provide by **attachment** a copy of the Proposers' Lending Manual and advise the following:
- a) Maximum LVR %
 - b) Average LVR %
 - c) Maximum loan amount %
 - d) Average loan amount %
10. In relation to the Loan Property Valuation policy, please advise:
- a) Who performs the property valuations?
 - b) Do the Proposers have an external panel of valuers?
 - c) Do the Proposers require valuations to be less than three months old? Yes No
If "No", than, what is the age threshold required?
 - d) Do the Proposers accept valuations which have been assigned to it? Yes No
 - e) Do the Proposers accept Kerbside or Restricted Access Valuations? Yes No

Lending Institutions Addendum

11. Is mortgage insurance always purchased above a set LVR? Yes No
12. Please provide a breakdown of loans by property type:
- a) Residential %
 - b) Commercial %
 - c) Industrial %
 - d) Land only %
 - e) Construction %
13. Please provide a breakdown on the type of loans provided:
- a) First mortgage %
 - b) Second mortgage / mezzanine %
 - c) Bridging finance %
 - d) No deposit %
 - e) Low doc %
14. Please provide a breakdown on the location of the loan portfolio:
- | | | |
|-------|-------|-------|
| QLD % | ACT % | TAS % |
| NSW % | NT % | |
| VIC % | WA % | |
15. Please provide a breakdown on when loans are due:
- a) < 30 days %
 - b) Within 6 months %
 - c) Within 12 months %
 - d) 12-24 months %
 - e) 2-5 years %
 - f) > 5 years %
16. What percentage of loans are in arrears? %
17. Please outline the process in place for dealing with arrears:

Lending Institutions Addendum

18. What audit & review processes are in place on loans approved?

19. What are the processes & controls around transfer of loan funds?

Declaration

I, the undersigned, declare and acknowledge:

- that I am, after enquiry, authorised by all person(s) or entities seeking insurance, to sign the addendum;
- that after enquiry, all information supplied in this addendum, is true and correct and that until a Contract of Insurance is entered into, I am obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that I understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that I have read and understood the Important Notices which form part of this proposal;
- that I understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers' acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

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Stock Brokers Addendum

Authorised Representatives

1. a) Please advise the number of authorised representatives:
 b) Do the Proposers plan to increase this number in the next 12 months? Yes No
 If "Yes", by how many?
 c) Are the authorised representatives the Proposers' employees or independent contractors?
 d) Are authorised representatives to be insured under this policy?
 If "No", how do the Proposers check that each authorised representative has a current Professional Indemnity policy?

2. Do the Proposers engage in stock lending activities? Yes No

3. If acting as underwriter do the Proposers sell stock held on their own account to clients? Yes No
 If "Yes", do the Proposers always disclose this position to their clients? Yes No

4. What percentage of the Proposers' client base are:

Retail clients	%
High net worth individuals	%
Self managed superannuation funds	%
Other – please specify	%
Total	%

Stock Brokers Addendum

Margin Lending

5. Do the Proposers give advice on margin lending? Yes No
6. What percentage of the Proposers' client base uses this strategy? %
7. What is the maximum LVR used?
8. Do the Proposers always provide written advice disclosing the risks of this strategy?
9. Do the Proposers offer taxation advice regarding margin lending? Yes No
10. Do the Proposers have a margin lending facility? Yes No
If "Yes", is this done via a facility with another financial institution or are the Proposers the principal lender?
11. Does the investor retain beneficial ownership of the stock purchased? Yes No
If "No", is this specifically highlighted to the investor at the time the contract is entered into? Yes No

Managed Discretionary Accounts

12. Do the Proposers operate any managed discretionary accounts? Yes No
If "Yes", how many and what is the amount of funds under management or advice?
13. How do the Proposers ensure that the mandates for these accounts are not breached?

Stock Brokers Addendum

14. Do the Proposers obtain external advice regarding stock selection? Yes No

If "Yes", please provide details.

Average Trading

15. What was the average trade over the past 12 months? \$

16. What was the annual trade volume over the past 12 months? \$

Compliance Management

17. How many staff are in the compliance department?

18. Are random audits conducted? Yes No

If "Yes", how often?

19. Are trading transactions and positions reviewed daily for compliance with trading policies? Yes No

20. Is there a system in place which will identify trades which exceed set limits? Yes No

- a) If "Yes", is this monitored on a daily basis? Yes No

- b) If "No", how is this exposure managed?

Declaration

I, the undersigned, declare and acknowledge:

- that I am, after enquiry, authorised by all person(s) or entities seeking insurance, to sign the addendum;
- that after enquiry, all information supplied in this addendum, is true and correct and that until a Contract of Insurance is entered into, I am obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that I understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that I have read and understood the Important Notices which form part of this proposal;
- that I understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers' acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

Liberty Specialty Markets is a trading name of Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605) incorporated in Massachusetts, USA (the liability of members is limited)

Underwriting Agency Addendum

1. Who is the security used by the Proposers' underwriting agency?

2. Do the Proposers have a current written agency agreement in place? When was it last renewed? When does it expire?

3. Are underwriting audits carried out annually by the Proposers' security or an external party on their behalf?
 - a) When last was such audit conducted (dd/mm/yyyy)?
 - b) Were any breaches of the underwriting agreement found? Yes No
If "Yes", please provide details.
 - c) Have all recommendations from the audit been implemented? Yes No
If "No", please provide details as to why this has not been done.

4. Do the Proposers have claims settlement authority? Yes No
If "Yes", are claims conducted in-house or outsourced?
 - a) What is the maximum amount of the authority?
 - b) Are two people required to sign off on any claims settlement? Yes No
 - c) Are claims audits carried out annually by the Proposers' security or an external party on their behalf? Yes No
 - d) When last was such audit conducted (dd/mm/yyyy)?
 - e) Did the audit find any breaches had occurred? Yes No
 - f) Have all recommendations of the audit been implemented? Yes No
If "No", please provide details as to why this has not been done.

Underwriting Agency Addendum

5. Is underwriting or claims settlement authority ever delegated to another person within the agency or to a third party without the written approval of the Proposers' security provider? Yes No
6. Please advise systems in place which prevent or highlight any breach of underwriting or claims authority?
7. How often are reports detailing risks written and claims settled provided to the security providers?

Declaration

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Schedule A – Outside Directorships

Name of Outside Entity	Does the Outside Entity provide an Indemnity for the Outside Director(s)?	Does the Outside Entity have current D&O Insurance?	Who is the D&O Insurer?	What is the D&O Policy Limit?	What is the D&O Policy Number and Period of Insurance?	Is the Outside Entity listed on any stock exchange? (Yes/No)	Is the Outside Entity incorporated in the United States of America or any of its territories or protectorates?