
Offering of
Securities Insurance
PROPOSAL FORM

libertyspecialtymarkets.com.au



Liberty
Specialty Markets

Important Notices

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:

- ▶ 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; or
- ▶ 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 will 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.

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; or
- ▶ 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.

When you give Liberty personal or sensitive information about other individuals, Liberty relies on you to provide its Privacy Notice to them. If you have not done this, you must tell Liberty before you provide the relevant data.

Offering of Securities 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 the policy. If the space provided in this proposal form is insufficient, please attach your response using company letterhead.

1. COMPANY DETAILS

a. Name of the Company:

b. Address (provide a street address only):

Street

City

State

Country

Postcode

c. The Company's details:

Country of Registration

Date established

Business Registration No.

Website address

d. Please describe the nature of the operations of the Company:

2. OWNERSHIP

a. Type of Company:

Private

Government Owned

Public Listed

Mutual

Public Unlisted

Not for Profit

Other

If "Other" provide details:

b. If the Company or any of its subsidiaries have securities which are either publicly listed or have unlisted securities issued, then provide details (including but not limited to the stock exchange, type of securities, etc).

c. Please list all shareholders who control more than 10% of the Company’s share capital and the percentage of shares held by those shareholders.

	%
	%
	%
	%

d. Are any existing shareholders selling shares? Yes No

If “Yes”, please provide the following details:

Shareholder	Percentage being sold	Percentage being retained
	%	%
	%	%
	%	%
	%	%

3. OFFERING

a. What type of offering is being undertaken? (IPO, Secondary Placement, Institutional Placement etc.)

b. What stock exchange(s) will you be listing on?

c. What is the total amount to be raised? \$

d. What percentage of securities are offered in the USA, outside of Rule 144a? %

e. What percentage of securities are offered in the USA under Rule 144a? %

f. Will securities be offered to residents of the USA? Yes No

If “Yes”, what percentage of securities will be on offer? %

g. What is the expected market capitalisation upon listing?

h. Is the offer underwritten? Yes No

If “Yes”, please provide details

i. Who is the external legal advisor for the offer?

j. What percentage of securities will be offered to retail investors? %

k. What percentage of securities will be offered to institutional investors? %

l. In what countries are roadshows being held?

4. DUE DILIGENCE PROCESS

- a. Please describe the due diligence process undertaken by the Company in relation to the preparation of the prospectus.

- b. Please provide details of the make-up of the due diligence committee including the role of the committee members and details of professional and expert advisers engaged in relation to the preparation of the prospectus.

5. MATERIAL CHANGES

- a. During the last three years has:

1. The name of the Company changed?	Yes	No
2. The capital structure of the Company changed?	Yes	No
3. Any subsidiary of the Company been sold or ceased trading?	Yes	No
4. Any acquisition involving the Company taken place?	Yes	No
5. The Company issued any prospectus or public offering of securities (including equities, debt, share, notes, bonds or debentures)?	Yes	No
b. 1. Does the Company have any acquisition, tender offers or mergers pending or under consideration?	Yes	No
2. Is the Company aware of any proposed acquisition of the Company or any of its subsidiaries by any other party?	Yes	No

If the answer to either Question 5a or 5b is "Yes", please provide further details:

6. INTERNAL CONTROLS AND CORPORATE GOVERNANCE

a. Has the Company changed its external auditor in the last three years, or is it intending to change its external auditor in the next 12 months?	Yes	No
b. Within the last 12 months, has the Company's external auditors stated that there are any material weaknesses or made any recommendations/changes in the Company's system of internal control?	Yes	No
c. Within the last three years, has the Company had any disputes with its external auditors regarding internal treatment of financial information or revenue recognition practices?	Yes	No
d. Has the Company ever re-stated its financial results or is it intending to re-state its financial results in the next 12 months?	Yes	No
e. Since the date of the latest financial statements attached to this proposal, have there been any developments which have adversely impacted the financial position of the Company?	Yes	No

- | | | |
|--|-----|----|
| f. Has the Company ever been questioned by regulators concerning their continuous disclosure obligations? | Yes | No |
| g. Has the Company ever breached any debt covenants or loan agreements? | Yes | No |
| h. Within the last 12 months have there been any changes to the board members or structure of the Company's board, or are there any anticipated changes within the next 12 months?
If the answer is "Yes" to any of Questions 6a to 6h, please provide details. | Yes | No |

- | | | |
|--|-----|----|
| i. Does the Company have in place policies with respect to directors and officers trading in the Company's securities? | Yes | No |
| j. If the Company is listed on a stock exchange, does the Company meet the required corporate governance standards and/or best practice recommendations concerning corporate governance?
If the answer is "No" to either Question 6i or 6j, please provide details. | Yes | No |

7. USA EXPOSURES

- | | | |
|--|-----|----|
| a. Does the Company have USA operations or activities?
If "Yes", complete Questions 7b to 7g. If "No" proceed to Question 7h. | Yes | No |
|--|-----|----|

- | | | |
|--|-----|----|
| b. Does the Company have any subsidiaries with operations in the USA?
If "Yes", list these subsidiaries and their operations: | Yes | No |
|--|-----|----|

- | | | |
|---|-----|----|
| c. Does the Company have any equity interest in any US based businesses or operations?
If "Yes", provide further details including the name of the entity and the Company's equity interest below: | Yes | No |
|---|-----|----|

- | | | |
|--|-----|------|
| d. Please state for the Company: | | |
| 1. Total gross assets in the USA | | US\$ |
| 2. Total gross turnover derived from business operations in the USA | | US\$ |
| 3. Total employees located in the USA | | |
| e. Does the Company have any USA securities listings?
If "Yes", please provide details: | Yes | No |

f. Does the Company have any American Depositary Receipts (ADR's) on issue?	Yes	No
1. What was the commencement date of the ADR program?		
2. What is the level of the ADR program (I, II, III or s144)?		
3. How many ADR's are currently on issue?		
4. What size is the ADR program in terms of current market capitalisation?		
5. What is the ratio of ADR's to ordinary shares?		
6. List the three largest holders of ADR's and their respective shareholdings.		
a.		%
b.		%
c.		%
g. Does the Company have any other USA securities on issue including any debt instruments? If "Yes", please provide details including the nature of those securities and the amount in USD on issue.	Yes	No

8. COMPANY INQUIRY COSTS AND EXPENSES

- | | | |
|--|-----|----|
| a. Would you like the policy to provide cover to the Company for its own liability as a result of any inquiries? | Yes | No |
|--|-----|----|

9. APPOINTMENT OF LEGAL REPRESENTATION

- | | | |
|--|-----|----|
| a. Do you require the Defence Select option to be included?
If Defence Select is included this gives you the right to appoint any non-panel law firm to conduct the defence and settlement of a claim.
If "Yes", please provide details of all law firms on retainer and their agreed rates. | Yes | No |
|--|-----|----|

10. TRADE AND ECONOMIC SANCTIONS

- | | | |
|--|-----|----|
| a. Does the Company, any of its subsidiaries or any of their directors, officers or employees have any operations or dealings, including outside directorship positions, in a jurisdiction which is subject to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom, United States of America or other applicable jurisdiction.
If "Yes", please provide details. | Yes | No |
|--|-----|----|

11. CLAIM HISTORY

Important: Please note: It is critical that you make appropriate enquires of all persons and entities intending to be insured under this insurance before answering Questions 11a – 11c.

- | | | |
|---|-----|----|
| a. Has there ever been, or is there now pending, any claim against any director or officer in their capacity as a director or officer of the Company or its subsidiaries? | Yes | No |
| b. Is the Company, and any of its subsidiaries, or any of their directors and officers aware of any facts which might give rise to a claim being made against any director or officer in their capacity as director or officer of the Company or any of its subsidiaries? | Yes | No |
| c. Have any of the principals, partners, directors, officers or employees of the Company or its subsidiaries ever been the subject of any disciplinary proceedings? | Yes | No |

If the answer is "Yes" to any of Questions 11a – 11c, please provide details:

12. INSURANCE HISTORY

- a. Please detail the Directors & Officers Liability Insurance currently purchased by the Company.

Insurer:

Policy Period:

Policy Limit:

Excess:

- | | | |
|--|-----|----|
| b. Has the Company ever had any special terms or conditions imposed on any Directors & Officers Liability policy held by the Company? | Yes | No |
| c. Has the Company or any directors or officers 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 |
| d. Has any insurer ever refused to provide terms or offer renewal terms to the Company or has any insurance held by the Company ever been avoided or cancelled by an insurer? | Yes | No |

If the answer is "Yes" to any of Questions 12b – 12d, please provide details:

13. LIMIT OF LIABILITY

- a. Limit of Liability sought:

1.

2.

3.

- b. Excess sought:

1.

2.

3.

14. OPTIONAL EXTENSIONS

a. **Controlling or Selling Shareholders Liability**

Would you like the policy to be extended to provide cover for claims made against the controlling or selling shareholder?

Yes No

If "Yes", please provide the name of the controlling or selling shareholder.

b. **Underwriters Liability**

Would you like the policy to be extended to provide cover for claims brought by an underwriter pursuant to an indemnity or breach of warranty in an underwriting agreement?

Yes No

If "Yes", please provide the name of the underwriter and a copy of the full underwriting agreement entered into between the Company and the underwriter.

15. STAMP DUTY AND TAX

Important: Please be aware that unless Liberty or its agents receive a small business declaration from you, in accordance with CH 8, Pt 5A of the Duties Act 1997 (NSW) at the time of entering into the contract of insurance, Liberty will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.

a. Please provide a breakdown of staff numbers by state, including all directors and officers

ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Overseas
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b. Does the Company intend to claim an input tax credit for the proposed policy premium?

Yes No

If "Yes", what percentage of an input tax credit is being claimed?

%

16. ADDITIONAL INFORMATION

a. Have you answered all questions fully and remembered to attach the following?

Yes No

1. The last two audited financial statements or annual reports of the Company.
2. The final prospectus (including copy of any supplementary and/or replacements documents required by the relevant regulatory authorities).
3. The final due diligence report to the board of directors that outlines the procedures followed, the inquiries undertaken and a conclusion on the completeness and accuracy of the prospectus.
4. If the Underwriters Liability Optional Extension is requested, please provide, the final underwriting agreement between the Company and the underwriter including all indemnities, representations and warranties given by the Company.

17. DECLARATION

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons or 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 will 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 Company's 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, Liberty will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property. Yes No

To be signed by the Chairperson and an Executive Officer of the Company.

Signature

Name (please print)

Title: Chairperson

Date

Signature

Name (please print)

Title: Executive Officer

Date