

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 – 31)



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, 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 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 Policy

Liberty International Underwriters Limited (No. 2400200) (LIU) is a company incorporated and authorised to conduct insurance in Hong Kong. It is a member of the United States-based Liberty Mutual Group (LMG). LIU's contact details are:

Address: Suites 2401-04 24/F Cityplaza One, 1111 King's Road Tai Koo Shing, Hong Kong
Phone: +852 3655 2600

LIU is bound by the Personal Data (Privacy) Ordinance (Cap. 486) and its associated Data Protection Principles when it collects and handles your personal data.

LIU collects personal data, including from insurance brokers, in order to provide its services and products, manage claims and for purposes ancillary to its business. LIU passes it to third parties involved in this process such as LIU'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, Australia and Malaysia. Your information may be transferred to countries without comparable data protection laws if it is reasonably necessary to provide you with the products or services you seek from LIU. If you do not provide the personal data LIU or other relevant third parties require to offer you specific products or services, LIU may not be able to provide the appropriate type or level of service.

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

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



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 "Proposer").

2. Address of the principal office (Please provide a street address only).

3. Company details:

Country of registration

Date or year established

Website address

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 Proposer.

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 Proposer.

7. Does the Proposer 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. Has the Proposer 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 Proposer? 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 No
- b) A Public Company? Yes No
- c) Listed on any Stock Exchange? Yes No

If "Yes", please list the Stock Exchange.

- d) Are the Proposer's shares traded in any other way? Yes No

If "Yes", please provide details.

12. Please list the shareholders who control 10% or more of the issued shares of the Proposers and the percentage 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 (FY____)	Current Financial Year Forecast (FY____)	Next Financial Year Forecast (FY____)
Singapore	\$	\$	\$
USA & Canada	\$	\$	\$
Other (please specify)	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Total	\$	\$	\$

Financial Institutions Insurance

15. Please advise the approximate percentage of the Proposer's 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	%
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 Singapore, please list the country and the services provided there.

Country	Services

17. Does any one client represent 25% or more of the 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 Proposer? 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 Proposer.

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. Is legal counsel an in-house function? Yes No

If "No", who provides this service?

22. Are all publications, marketing material, website content or other product services communications reviewed by legal counsel prior to their release to third parties? Yes No

If "No", please provide details as to how this risk is managed.

23. Is IT an in-house function? Yes No

If "Yes", does the Proposer utilise only 'tried and tested' technology? Yes No

If "No",

a) Who provides this service?

b) Does the Proposer obtain evidence that they hold current PI insurance? Yes No

24. Does the Proposer have an internal audit department? Yes No

If "No", who provides this service?

25. 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.



Financial Institutions Insurance

26. 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 <input type="checkbox"/> | No <input type="checkbox"/> |
| (ii) Third party vendors or suppliers? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

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.

27. 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 <input type="checkbox"/> | No <input type="checkbox"/> |
| (ii) Third party vendors or suppliers? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

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. \$ _____

Financial Institutions Insurance

28. 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 <input type="checkbox"/> | No <input type="checkbox"/> |
| (ii) Financial transfer instructions? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

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

29. Please detail any additional controls you may have with regards to managing exposure to social engineering fraud.

30. Describe by **attachment** the formal procedures in place relating to the following:

- a) Risk management, quality control and / or compliance programmes.
- b) The engagement of consultants, sub-contractors or agents, including any circumstances where the Proposer would limit such parties liabilities.
- c) The identification and reporting of incidents or facts which might give rise to a professional liability or management liability or securities claim or crime loss.
- d) Peer review and dual sign-off or approval in respect of any aspect of the business or professional services provided by the Proposer.
- e) The evaluation and approval of new clients, contracts and tenders.
- f) Identification and management of conflict of interest.
- g) 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

Please Note: Please only complete this section if you would like the policy to include Part C – Crime.

31. 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.

32. Please advise the maximum value of any one fund transfer: \$ _____

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

34. Are systems in place to detect unauthorised changes to transactions or unusual transactions? Yes No

If "No" please provide details.

Electronic Security

Please Note: Please only complete this section if you would like the policy to include Part C – Crime.

35. Are all computer passwords withdrawn when people cease employment? Yes No
36. How often are computer passwords required to be changed? _____
37. Are all amendments to software programs approved independently from the person making the amendment? Yes No
38. When was the last time the business continuity plan was updated or tested? _____
39. Has the business continuity plan been reviewed and approved by the regulatory authorities or external auditors? Yes No

Claims History

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 40 – 46.

40. 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.

41. Has a professional liability claim, a management liability claim, a securities 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.

Financial Institutions Insurance

42. Are the Proposers including any of its partners, directors or employees aware of any facts which might give rise to a professional liability claim, a management liability claim, a securities claim or a crime loss? Yes No

If "Yes", please provide details.

43. Have any special terms or conditions ever been imposed on any insurance policy held by the Proposers? Yes No

If "Yes", please provide details.

44. 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.

45. 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.

Financial Institutions Insurance

46. Do the Proposers currently hold any similar professional liability, management liability or crime insurance? Yes No

If "Yes", please advise the following:

Insurer _____

Expiry Date _____

Sum Insured _____

Excess _____

Limit of Liability

- | | |
|--|--|
| <p>47. Limit of Liability sought:</p> <p>a) \$ _____</p> <p>b) \$ _____</p> <p>c) \$ _____</p> | <p>48. Excess sought:</p> <p>a) \$ _____</p> <p>b) \$ _____</p> <p>c) \$ _____</p> |
|--|--|

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.

49. **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:

- | | |
|---|---|
| <p>a) Do the Proposers enforce a software update process with the installation of software patches?</p> <p>b) Are critical patches prioritised and installed with immediate effect?</p> <p>c) Do the Proposers encrypt all sensitive and confidential data stored on laptop computers and portable media?</p> | <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
|---|---|

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 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 of each problem or network outage on a separate attachment.

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 International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this 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 International Underwriters, if any.

Signed _____

Print Name _____

Title Chairperson _____

Dated _____

Signed _____

Print Name _____

Title Executive Officer _____

Dated _____

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 Proposer's fee income was derived from performance fees or success fees? _____ %

Contract History

2. List the 5 largest contracts the Proposer has entered into over the past 5 years.

Client	Contract Period	Revenue	Services Provided
	From		
	To		
	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 does the Proposer 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 Proposer 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) Does the Proposer 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 Proposer ensures the confidentiality of any information obtained by themselves or their client.

- b) Describe the Proposer's "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 Proposer ensures 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 does the Proposer ever undertake a central role coordinating the activities of other advisors?

Yes No

If "Yes", is the extent of the Proposer's proportional liability addressed in the engagement letter?



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 International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this 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 International Underwriters, if any.

Signed _____

Print Name _____

Title Chairperson _____

Dated _____

Signed _____

Print Name _____

Title Executive Officer _____

Dated _____

Liberty International Underwriters Limited (No. 2400200), a company incorporated and authorised to conduct insurance in Hong Kong with a place of business at Suites 2401-04/24F, Cityplaza One, 1111 King's Road, Tai Koo Shing, Hong Kong SAR.

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? Yes No

i) If "Yes", please advise 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. Does the Proposer 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) Does the Proposer have an external panel of valuers?

- c) Does the Proposer require valuations to be less than three months old? Yes No

If "No", than, what is the age threshold required?

- d) Does the Proposer accept valuations which have been assigned to it? Yes No

- e) Does the Proposer 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:

- | | | | |
|------------------------|---------|-----------------------|---------|
| Singapore | _____ % | United States/Canada | _____ % |
| Other Asia | _____ % | Australia/New Zealand | _____ % |
| Other (please specify) | _____ % | _____ | |

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

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 International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this 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 International Underwriters, if any.

Signed _____

Print Name _____

Title Chairperson _____

Dated _____

Signed _____

Print Name _____

Title Executive Officer _____

Dated _____

Liberty International Underwriters Limited (No. 2400200), a company incorporated and authorised to conduct insurance in Hong Kong with a place of business at Suites 2401-04/24F, Cityplaza One, 1111 King's Road, Tai Koo Shing, Hong Kong SAR.

Stock Brokers Addendum

Authorised Representatives

1. a) Please advise the number of authorised representatives. _____

b) Does the Proposer plan to increase this number in the next 12 months? Yes No

If "Yes", by how many?

c) Are the authorised representatives the Proposer's employees or independent contractors?

d) Are authorised representatives to be insured under this policy?

If "No", how does the Proposer check that each authorised representative has a current Professional Indemnity policy?

2. Does the Proposer engage in stock lending activities? Yes No

3. If acting as an underwriter does the Proposer sell stock held on its own account to clients? Yes No

If "Yes", does the Proposer always disclose this position to its clients? Yes No

4 What percentage of the Proposer's client base are:

Retail clients _____ %

High net worth individuals _____ %

Self managed superannuation funds _____ %

Other – please specify _____ %

_____ %

Total _____ %

Stock Brokers Addendum

Margin Lending

5. Does the Proposer give advice on margin lending? Yes No

6. What percentage does the Proposers' client base use this strategy? _____ %

7. What is the maximum LVR used? _____

8. Does the Proposer always provide written advice disclosing the risks of this strategy?

9. Does the Proposer offer taxation advice regarding margin lending? Yes No

10. Does the Proposer have a margin lending facility? Yes No

If "Yes", is this done via a facility with another financial institution or is the Proposer 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. Does the Proposer operate any managed discretionary accounts? Yes No

If "Yes", how many and what is the amount of funds under management or advice?

13. How does the Proposer ensure that the mandates for these accounts are not breached?



Stock Brokers Addendum

14. Does the Proposer 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

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 International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this 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 International Underwriters, if any.

Signed _____

Print Name _____

Title Chairperson _____

Dated _____

Signed _____

Print Name _____

Title Executive Officer _____

Dated _____

Liberty International Underwriters Limited (No. 2400200), a company incorporated and authorised to conduct insurance in Hong Kong with a place of business at Suites 2401-04/24F, Cityplaza One, 1111 King's Road, Tai Koo Shing, Hong Kong SAR.

Underwriting Agency Addendum

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

2. Does the Proposer 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 Proposer's security or an external party on their behalf?

a) When was the last 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. Does the Proposer 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 Proposer's security or an external party on their behalf?

Yes

No

d) When was the last 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 Proposer's 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

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 International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this insurance;
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- 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 International Underwriters, if any.

Signed _____

Print Name _____

Title Chairperson _____

Dated _____

Signed _____

Print Name _____

Title Executive Officer _____

Dated _____

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Schedule A – Outside Directorships

Name of outside entity	Share capital % owned by the Company	Country of incorporation	Is the outside entity listed on any stock exchange? (Yes/No)	If Yes, which stock exchange?	Does the outside entity provide an indemnity for the outside director(s)?	If the outside entity has current D&O insurance, please state policy limit, insurer and period of insurance