



Financial Institutions Professional Indemnity Proposal Form

The following documents must be submitted with this proposal form:

- (a) The latest Annual Report (and any Interim Report issued) and Financial Statements.
- (b) An organisation chart showing responsibilities and reporting lines to the Board of Directors.
- (c) A copy of the most recent auditors management letter
- (d) A copy of any Insurance Management Risk Survey the Proposer has undertaken.

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- 1. All questions must be answered giving full and complete answers.
 - 2. Please ensure that this Proposal Form is Signed and Dated.
 - 3. This document is designed to be completed electronically.

London Australia Underwriting Pty Ltd

Level 35 Northpoint,
100 Miller Street,
North Sydney
NSW 2060

t 02 8912 6400
f 02 8912 6401
www.lauw.com.au

IMPORTANT NOTICES

Pursuant to the provisions of the *Insurance Contracts Act 1984*, Underwriters are required to notify you of the following relevant information.

Your Duty of Disclosure

In accordance with the provisions of the *Insurance Contracts Act 1984*, you have a duty to disclose to the Underwriter every matter that you know, or could reasonably be expected to know, is relevant to the Underwriter's decision whether to accept the risk of the insurance and, if so, on what terms.

This duty does not require disclosure of matters that diminish the risk to be undertaken by the Underwriter, that are common knowledge, or that the Underwriter knows or, in the ordinary course of its business, should know, or as to which compliance with your duty is waived by the Underwriter.

It should be noted that this duty continues until the Policy is entered into with Underwriters, and extends to any renewal, reinstatement, variation or extension to the Policy.

Non-Disclosure

Underwriter may be entitled to either reduce their liability under the contract in respect of a Claim, cancel the contract or avoid the contract from its beginning in accordance with the provisions of the *Insurance Contract Act 1984* if you fail to comply with your duty of disclosure, or if any non-disclosure is fraudulent.

Claims Made

This is a "claims made" policy of insurance, which means that it only covers claims made against an insured and notified to Underwriters during the period of insurance. By operation of Section 40 (3) of the *Insurance Contracts Act 1984*, where the insured gives notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the contract.

Retroactive Liability

The policy may be limited by a retroactive date stated in the schedule. The policy does not provide cover in relation to any claim arising from any actual or alleged act, error, omission or conduct that occurs before the commencement of the policy, unless retroactive liability cover is extended by Underwriters.

Liability Assumed Under Agreement

Cover provided by this form of liability insurance does not cover liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

Utmost Good Faith

In accordance with Section 13 of the *Insurance Contracts Act 1984*, the policy of insurance is based on utmost good faith requiring Underwriter(s) and the proposer / insured(s) to act towards each other with the utmost good faith in respect of any matter relating to the insurance contract.

Privacy Notice

In order for Underwriters to provide you with insurance products and the processing of Claims, it is necessary to obtain personal information from you. Underwriters are bound by the provisions of the *National Privacy Principles* as set out in the *Privacy Act (Cwlth) 1988*.

You may elect not to provide Underwriters with this information; however, this may prevent Underwriters from providing you with the products or services sought.

Underwriters may disclose this information to other insurers, re-insurers, an insurance reference service, or other advisers used by Underwriters such as loss adjusters, lawyers or others who may be engaged to assist in Claims handling. These third parties will all be contractually required to adhere to Underwriters privacy obligations.

Should you require access to your personal information, Underwriters may be contacted on (02) 8912 6402.

SECTION 1 GENERAL PROPOSER INFORMATION

(a) PARTICULARS OF PROPOSER

In respect of this proposal form the "Proposer" will be deemed to be the first named insured and all subsidiaries as listed in Appendix 1. for whom cover is sought.				
State the name, principal address and activity of the Proposer:				
1.	Company name:			
2.	Address:			
3.	Financial Services:			
4.	AFSL Number:			
5.	Country or State of registration:			
6.	Type of company:	<input type="checkbox"/> Public		
		<input type="checkbox"/> Private		
		<input type="checkbox"/> Mutual		
		<input type="checkbox"/> Not for Profit		
		<input type="checkbox"/> Listed on the ASX - date of listing:		
		<input type="checkbox"/> Listed on any Foreign Exchange - date of listing and Exchange:		
		<input type="checkbox"/> Traded in any other way - Please state		
7.	Date since the Company has continuously carried on business:			
Please confirm the Total Income for the past three years:				
8.	Date as at: (dd/mm/yyyy)	(i)	(ii)	(iii)
	Gross non-interest income (Fees and Commissions):	AUD\$	AUD\$	AUD\$
	Gross Interest Income:	AUD\$	AUD\$	AUD\$
	Total:	AUD\$	AUD\$	AUD\$
9.	Does the Proposer have operations in the USA / Canada?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please confirm fee income and services provided:</i> USD\$ Services:		

10.	Please confirm the total number of employees:	Domestic:		
		Overseas (please specify):		
		Total:		
11.	At the dates indicated what approximate percentage of the Proposer's Gross Total Revenues were derived from the following activities?			
	Date as at: (dd/mm/yyyy)	(i)	(ii)	(iii)
	Loans			
	(i) Retail			
	(ii) Commercial			
	(iii) Interbank			
	Leasing			
	Trade Financing, Forfeiting			
	Foreign Exchange Dealing			
	Barter, Countertrade or Swap Operations			
	Commodity Market Dealings			
	Securitisation			
	Investment Banking / Corporate Advisory (Please complete Section C of this Proposal)			
	Managed Discretionary Accounts			
	Venture Capital / Private Equity			
	Factoring / Invoicing Discounting			
	Derivative & other trading not included above			
	Mortgage Origination			
	Financial Planning			
	Any other activity			
	(i) please describe:			
	(ii) please describe:			
	(iii) please describe:			
(iv) please describe:				
Total	100%	100%	100%	
Work / Investment, that is for Proposed Insured's own account rather than clients (may be estimated)				

(b) REGULATION / AUDIT / COMPLIANCE

Regulation			
12.	To which regulatory authorities are the Proposer accountable and when was the Proposer last investigated?	Authority	Date of last investigation
13.	Are there any outstanding issues from the investigation?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details including timeframe for implementation:</i>	
14.	Did such an investigation result in disciplinary proceedings or admonishments?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	
External Audit			
15.	Who are the Proposer's external Auditors?		
16.	Has the auditor changed in the past 3 years?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please explain why:</i>	
17.	Has the auditing firm made any material recommendations in their last two management letters?	<input type="checkbox"/> No <input type="checkbox"/> Yes	
18.	Have all material recommendations been adopted?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please explain why not:</i>	
Internal Audit			
19.	How many people are employed in the Proposer's internal audit function?		
20.	Does the audit programme encompass independent checks on:		
(a)	Segregation of duties?	<input type="checkbox"/> No <input type="checkbox"/> Yes	
(b)	Accuracy of records?	<input type="checkbox"/> No <input type="checkbox"/> Yes	
Compliance			
21.	Does the proposer have a Compliance Department?	<input type="checkbox"/> No <input type="checkbox"/> Yes	
22.	Please describe how directors and employees are kept abreast of compliance and regulatory issues throughout the group.		

SECTION 2 ADDITIONAL UNDERWRITING SECTIONS

(c) INVESTMENT BANKING - Please complete this section if the Proposer carries out this activity

Please attach the following where relevant:

- Standard Investment Banking Engagement Letter
- Copies of any indemnity agreements the Proposer has with investment banking or other clients
(If not included in the Proposer's Standard Banking Engagement Letter)
- A list of all investment banking clients for the past three years
- CV's for key personnel

23.	Approximately what proportion of fees are retainers versus success/performance fees?	Fees: AUD\$ Performance: AUD\$	
24.	Percentage Gross Revenue income split among investment banking operations:		
		% Gross Revenue Australia / New Zealand	% Gross Revenue USA
	Underwriting	%	%
	M&A / Corporate Advisory	%	%
	Debt / Equity – new issuance	%	%
	Debt / Equity – secondary issuance	%	%
	Debt Capital Raising	%	%
	Strategic Analysis	%	%
	Divestitures	%	%
	Company / Asset Valuation	%	%
	Corporate Finance / Structured Finance	%	%
	Other (please specify):	%	%
Other (please specify):	%	%	
	Total	%	%
25.	Details of industry sectors served and approximate percentage of gross revenue from investment banking (e.g. Pharmaceutical, Telecoms, etc.)	Industry Sector	Percentage
26.	Average fee income any one client:	AUD\$	
27.	Largest fee income any one client:	AUD\$	
28.	Average value any one transaction:	AUD\$	
29.	Average number of transactions in any one year:		
30.	Number of failed/incomplete transactions in the last year:	<i>Please provide full details of any failed/incomplete transactions over the last 12 months: (Attach a separate sheet if necessary <input type="checkbox"/>)</i>	
31.	Does the Proposer utilise sub-underwriting when participating?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please confirm under what circumstances:</i>	

32.	What are the Proposer's procedures to ensure financial ability of buyers represented in M&A transactions?	
33.	Please describe the Proposer's Chinese Walls procedures ensuring that clients' sensitive information is ring-fenced from parties outside of a transaction?	
34.	Please provide details of what procedures are in place to ring fence sensitive information and to ensure no conflict of interests with other areas of the Proposer's organisation?	
35.	Does the proposer issue pre-issuance / prospectus research reports?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide comment on (a) – (d) below:</i>
(a)	How does the proposer ensure that these documents are not viewed collectively by a prospective user in forming their investment decision and confidentiality is maintained?	
(b)	The standard black-out period:	
(c)	The risk disclosures presented:	
(d)	Procedures in place to ensure the accuracy and completeness of the same:	
36.	Does the Proposer have any material regulatory recommendations outstanding or not implemented at present?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details: (Attach a separate sheet if necessary <input type="checkbox"/>)</i>
37.	In the past five years has any client and/or other third party made a written complaint to the applicant or to any regulatory body or commenced any civil proceeding in connection with any transaction?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details: (Attach a separate sheet if necessary <input type="checkbox"/>)</i>
38.	Has the Proposer or any director, officer, partner or trustee:	
(a)	Been charged in any civil or criminal action or administrative or regulatory proceeding with a violation of any securities law or regulation?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details on a separate sheet <input type="checkbox"/></i>
(b)	Been charged in connection with any action or administrative or regulatory proceedings regarding 'laddering' or 'spinning' or 'conflicts of interest' or other?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details on a separate sheet <input type="checkbox"/></i>
39.	Has there been or is there now pending any claims against any person or entity proposed for insurance alleging, arising out of, or in connection with an investment banking transaction?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details on a separate sheet <input type="checkbox"/></i>

(d) CLAIMS / LOSS DETAILS

<p>40. Please describe in detail the Proposer's procedures for handling and dealing with the issues of complaint, litigation and potential claim notification at both head office and other locations. Attach a separate sheet if necessary <input type="checkbox"/></p>					
<p>41. Has the Proposer ever had a policy of insurance cancelled or refused?</p>	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>				
<p>42. After enquiry has any loss/circumstance, demand or claim of a type being the subject of this type of insurance been sustained by, identified, or made against the Proposer to which this application applies during the past 10 years.</p>	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please complete the table below. State all claims / loss details whether insured or uninsured:</i>				
	<p>Date of loss</p>	<p>Nature of Claim / Loss (Please attach full details where appropriate including claimant <input type="checkbox"/>)</p>	<p>Amount Claimed (AUD \$)</p>	<p>Amount Paid (AUD \$)</p>	<p>Amount Outstanding (AUD \$)</p>
	<input type="checkbox"/>				
	<input type="checkbox"/>				
	<input type="checkbox"/>				
	<input type="checkbox"/>				
<p>43. Please provide full details of corrective action taken to avoid recurrence of the said claims / losses. <i>Attach a separate sheet if necessary</i> <input type="checkbox"/></p>					
<p>44. After enquiry is the Proposer currently involved in any litigation as a defendant? (including counter-claims)</p>	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>				
<p>45. During the last 10 years has the Proposer received any admonishment or what could be perceived as a critical directive from any regulatory authority?</p>	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>				
<p>46. Is the Proposer for insurance aware, after enquiry, of any circumstances or incident which the Proposer has reason to suppose might afford grounds for any future claim such as would fall within the scope of the proposed insurance?</p>	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>				

(e) STAMP DUTY SPLIT

47. For the purpose of calculating Stamp Duty please confirm the number of employees in the relevant State of Australia:

NSW	VIC	QLD	SA	WA	TAS	ACT	NT	Overseas

(f) DECLARATION FOR ALL SECTIONS

Other Material Facts
Note: If there is any doubt as to what constitutes a material fact it should be declared. **ALL** the information requested in this proposal is material.

48. Are there any other material facts regarding the risk which should be disclosed to Underwriters for their consideration?
 Attach a separate sheet if necessary

No Yes. If Yes, please provide a detailed explanation:

Declaration

We declare that the above answers, statements, particulars and additional information are true to the very best of the knowledge and belief of the **Proposer**. After full enquiry, I/We also confirm that We have disclosed all information and material facts that may alter the Underwriters' view of the risk, or affect their assessment of the exposures they are covering under the policy. We understand that all answers, statements, particulars and additional information supplied with this proposal form will become part of and form the basis of the policy.

We acknowledge that we have read and understood the content of the **Important Notice** contained in this proposal.

This Proposal must be signed by a senior owner, Partner, Officer or Director of the Company and at least one other Officer authorised to sign on behalf of the company.

Signed: _____ Date: _____

Name: _____

Position: _____

Company: _____

Signed: _____ Date: _____

Name: _____

Position: _____

Company: _____