

DIRECTORS' & OFFICERS' LIABILITY AND COMPANY REIMBURSEMENT INSURANCE - PROPOSAL FORM

Completing the Proposal Form

Annexure CI 2B

* Please answer ALL questions in full leaving no blank spaces.

* If you have insufficient space to complete any of your answers, please attach a separate signed and dated sheet and identify the question number concerned.

Directors' & Officers' Liability and Company Reimbursement Insurance is written on a claims made basis. Except as otherwise provided, this policy will cover only claims first made against the insured during the policy period. Please note that the defence costs provision of this policy stipulates that the limits of liability may be completely exhausted by the cost of legal defence. Any deductible may be similarly reduced or exhausted by defence costs.

PLEASE READ THE POLICY CAREFULLY

GENERAL INFORMATION

Principal Organisation: _____

Principal Address: _____

Nature of Activities: _____

How long has the Principal Organisation continuously carried on business? _____

Names and dates under which the business was formerly carried on: _____

When and where is the Principal Organisation incorporated? _____

OWNERSHIP

Is the Principal Organisation: Private? Yes No Public? Yes No

Please list stock exchange on which the Principal Organisation or its subsidiaries is presently listed. _____

Name and percentage of holdings of any shareholder owning 5% or more of the ordinary shares of the **Principal Organisation** (directly or beneficially): _____

NORTH AMERICAN OPERATIONS

This section is only to be completed if the Principal Organisation or its subsidiaries conduct any business in North America, or have any shares traded on a stock exchange in the United States of America.

a) Please give the total gross assets of the North American subsidiaries: _____

b) Does the Principal Organisation or any of its subsidiaries have any stock, shares or debentures traded on a Stock Exchange in the United States of America?
 Yes No If yes, on what date was the last offer made? _____

c) Does the Principal Organisation issue American depository receipts in the United States of America? Yes No
Note: If 'yes' a separate proposal form will need to be completed.

OUTSIDE DIRECTORSHIP COVERAGE

Does the Principal Organisation require cover for any Outside Directorships? Yes No

If yes, please provide details of any Outside Directorships.

(An Outside Directorship is a position held as a director, officer, trustee, governor, councillor, secretary or equivalent position of a company or other entity which is not a Subsidiary company of the Principal Organisation named above, which position is held with the KNOWLEDGE and CONSENT or at the SPECIFIC REQUEST of the Principal Organisation).

Note: Please do not provide information for Outside Directorships on non-profit organisations as these will already be insured under the Standard Directors' and Officers' Liability and Company Reimbursement Insurance.

Information on each **Outside Directorship** must include the following:

a) Name of **Outside Entity**: _____

b) Nature of activities of the **Outside Entity**: _____

c) Does the **Outside Entity** currently carry directors and officers insurance? Yes No

If the answer is yes then: (i) Who is the insurer? _____

(ii) What is the limit of indemnity? _____

(iii) What is the deductible? _____

d) % ownership by **Principal Organisation**: _____

e) Name and the percentage ownership of each entity which holds 5% or more of the share capital of the **Outside Entity**: _____

f) Country of Incorporation: _____

g) Type of entity (e.g. Public, Private, Trustee etc): _____

PLEASE ATTACH LATEST FINANCIAL REPORTS OF EACH OUTSIDE ENTITY

ANNOUNCED CHANGES

a) Has the Principal Organisation publicly revealed that it has under consideration at the present time any acquisitions, tender offers or mergers? Yes No

b) Are there at the present time any proposals of which the Principal Organisation is aware relating to its acquisition by any other company? Yes No

c) Has the Principal Organisation publicly announced its intention to make any new public offering of securities within the next year? Yes No

if yes, please give details: _____

d) Please give details of any change to the list of directors and officers given in the Principal Organisation's last annual report and accounts: _____

PRIOR INSURANCE

- a) Has the Principal Organisation ever been refused this type of cover or had a similar policy cancelled? Yes No
If yes, please provide details: _____
- b) Does the Principal Organisation or a Subsidiary currently have directors and officers liability insurance? Yes No
If no, skip to Section 8 and answer the warranty statement. If yes provide the following:
 Insurer _____ Limits _____ Deductible _____ Policy Period _____
 Rs. _____ Rs. _____
- c) Has the Principal Organisation, a Subsidiary or any Insured Person given written notice under the provisions of any prior or current directors and officers liability policy of specific facts or circumstances which might give rise to a claim being made against any Insured Person? Yes No
If yes, attach details.
- d) Have any loss payments been made on behalf of any Insured under any directors and officers liability policy or similar insurance? Yes No
If yes, attach details.
- e) Has there been or is there now pending against:
 i) any director or officer of the Principal Organisation; or,
 ii) an **Outside Director** requesting cover on an **Outside Entity**, a Claim against them in their capacity as such? Yes No
If yes, attach details.

CONTINUITY WITH PRIOR COVERAGE

Note: This section applies only if you currently have coverage and request continuity of coverage.

Continuity Date requested _____

If continuity of coverage is requested:

- a) attach a copy of the prior proposal with which continuity of coverage is to be maintained.
 b) the Company will be relying upon the declarations and statements contained in such prior proposal and those declarations and statements shall be considered to be incorporated in and form a part of the policy of the Company.

PRIOR KNOWLEDGE/WARRANTY

Note: This section applies if you have requested continuity of coverage and your request has not been accepted or granted, or if there is no prior coverage. In addition, this section need not be completed if this proposal forms part of a renewal of a current directors' and officers' liability insurance policy issued by HDFC ERGO General Insurance Company Limited.

Is any person proposed for coverage cognisant of any facts or circumstances (a) which he or she has reason to suppose might afford valid grounds for any future **Claim(s)** such as would fall within the scope of the proposed coverage or (b) which indicate the probability of any such **Claim(s)**? Yes No

If yes, give details. _____

It is agreed that if such facts or circumstances exist, any Claim or action arising therefrom is excluded from this proposed coverage.

REQUESTED LIMIT:

ADDITIONAL INFORMATION

Please enclose with this proposal form

- a) The last two Audited Annual Reports.
 b) The last two Interim Statements (if applicable)

PREMIUM DETAILS

Amount Rs. Rupees _____

SOURCES OF FUND

Salary Business Other (Please Specify) _____

BANK ACCOUNT DETAILS

Bank Account No. Bank Name _____

Branch Name & Address _____

FRAUD WARNING

The Proposer understands that if a proposal has been completed for this insurance, then all statements and all particulars provided in such proposal, and any attachments thereto, are material to the insurance company's decision to provide this insurance. The Proposer further understands that the insurance company will, in its sole discretion, issue this Policy in reliance upon the truth of such statements and particulars

- A) ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO FRAUD THE INSURANCE COMPANY OR OTHER PERSONS, FILES A PROPOSAL FOR INSURANCE CONTAINING ANY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT WHICH WILL RENDER THE POLICY VOIDABLE AT THE COMPANY'S SOLE DISCRETION AND RESULT IN A DENIAL OF INSURANCE BENEFITS.**
- B) IF A CLAIM IS IN ANY RESPECT FRAUDULENT, OR IF ANY FRAUDULENT OR FALSE PLAN, SPECIFICATION, ESTIMATE, DEED, BOOK, ACCOUNT ENTRY, VOUCHER, INVOICE OR OTHER DOCUMENT, PROOF OR EXPLANATION IS PRODUCED, OR IF ANY FRAUDULENT MEANS OR DEVICES ARE USED BY THE INSURED PERSON, INSURED ORGANISATION, PRINCIPAL ORGANISATION, POLICYHOLDER, BENEFICIARY, CLAIMANT OR BY ANYONE ACTING ON THEIR BEHALF TO OBTAIN ANY BENEFIT UNDER THIS POLICY, OR IF ANY FALSE STATUTORY DECLARATION IS MADE OR USED IN SUPPORT THEREOF, OR IF LOSS IS OCCASIONED BY OR THROUGH THE PROCUREMENT OR WITH THE KNOWLEDGE OR CONNIVANCE OF THE INSURED PERSON, INSURED ORGANISATION, PRINCIPAL ORGANISATION, POLICYHOLDER, BENEFICIARY, CLAIMANT OR OTHER PERSON, THEN ALL BENEFITS UNDER THIS POLICY ARE FORFEITED.**

DECLARATION AND SIGNATURE

The undersigned authorised officer of the **Principal Organisation** declares that to the best of his or her knowledge and belief the statements set forth herein are true, and immediate notice will be given should any of the above information alter between the date of this proposal and the proposed date of inception of this insurance. Although the signing of the Proposal Form does not bind the undersigned on behalf of the directors and officers of the **Principal Organisation** to effect insurance, the undersigned agrees that this form and the said statements herein shall be on the basis of and will be incorporated in the Policy should one be issued.

The undersigned, on behalf of the directors and officers of the Principal Organisation, acknowledge that the Statutory Notice contained herein has been read and understood.

Notice

Per Section 41 of the Insurance Act 1938, as amended, the practice of rebating is prohibited, as follows:

NO PERSON SHALL ALLOW OR OFFER TO ALLOW, EITHER DIRECTLY OR INDIRECTLY, AS AN INDUCEMENT TO ANY PERSON TO TAKE OUT, RENEW OR CONTINUE AN INSURANCE POLICY, IN RESPECT OF ANY KIND OF RISK RELATING TO LIVES OR PROPERTY IN INDIA, ANY REBATE OF THE WHOLE OR PART OF THE COMMISSION PAYABLE OR ANY REBATE OF THE PREMIUM SHOWN ON THE POLICY, NOR SHALL ANY PERSON TAKING OUT OR RENEWING OR CONTINUING A POLICY ACCEPT ANY REBATE, EXCEPT SUCH REBATE AS MAY BE ALLOWED IN ACCORDANCE WITH THE PUBLISHED PROSPECTUS OF THE INSURER. VIOLATIONS OF SECTION 41 OF THE INSURANCE ACT 1938, AS AMENDED, SHALL BE PUNISHABLE WITH A FINE WHICH MAY EXTEND TO FIVE HUNDRED (500) RUPEES.

A policy cannot be issued unless the proposal is duly completed, signed, dated and stamped.

Signed _____ Title _____ Date _____

Chairman of the Board or Managing Director Only