

Signature Management Plus Liability Insurance - Proposal Form

NOTICE TO THE APPLICANT:

- 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.
- It is agreed that whenever used in this proposal form, the term Applicant shall mean the Insured Organisation as defined in the Signature Professional Indemnity Insurance Policy ("the policy").
- The liability of insurers does not commence until the proposal has been accepted by Insurers and the same has been duly conveyed to the Proposer.
- The liability of the company does not commence until the acceptance of premium has been realized by the company.

The Signature Management Liability Policy is written on a claims made basis. The policy covers only Claims first made during the Policy Period or any Extended Reporting Period. The limit of liability to pay damages or settlements will be reduced and may be completely exhausted by the payment of Defence Costs or Legal Representation Expenses.

PLEASE READ THE POLICY CAREFULLY

1. GENERAL INFORMATION

- (a) Name of Applicant:
- (b) Type of Entity:
- (c) Applicant's web address:
- (d) Nature of Applicant's Activities:
- (e) How long has the Applicant continuously carried on business?
- (f) Names and dates under which the Applicant's business was formerly carried on:
- (g) When and where is the Applicant incorporated?
- (h) Limit of Liability required:
- (i) GST Number #:

2. OWNERSHIP

- (a) Is the Applicant a:
- Private Company ☐ Yes ☐ No Public Company ☐ Yes ☐ No Other (Specify) _____
- (b) Is the Applicant listed on an Indian Stock Exchange? ☐ Yes ☐ No
- (c) Is the Applicant listed on any foreign stock exchanges? ☐ Yes ☐ No
- If yes to question 2. (b) Or 2. (c) give details of the stock symbol for the Applicant and/or any of its subsidiaries so listed and identify the exchange on which their securities are listed:
- (d) Provide the name and ownership percentage of any shareholder directly or beneficially owning 5% or more of the issued shares of any Applicant:
- _____
- _____
- (e) Has any Applicant issued any securities convertible into shares? ☐ Yes ☐ No If yes, please provide details: _____
- _____

3. MATERIAL CHANGES

- (a) Whether or not such discussions or proposals have been made public, is the Applicant or any individual proposed for coverage currently involved in any discussions or aware of any proposals relating to any actual or potential:
- (i) Acquisitions of, tender offers for or mergers with any other organisation? ☐ Yes ☐ No
- If yes, please provide details: _____
- (ii) Public offering of securities? ☐ Yes ☐ No
- If yes, please provide details including a copy of the offering document: _____
- (iii) Scheme of compromise or company arrangement or material change in any arrangement with creditors under any law anywhere in the world? ☐ Yes ☐ No
- If yes, please provide details: _____
- (iv) restatement of the Applicant's audited financial statements ☐ Yes ☐ No
- If yes, please attach details. _____
- (b) Please provide details of any change to the list of serving directors and officers in the Applicant's most recent annual report and accounts:
- _____
- _____
- (c) Has the chairman, managing director, chief executive officer or chief financial officer of the Applicant left such office within the last 3 years for any reason other than death or retirement? ☐ Yes ☐ No
- If yes, please provide details: _____

4. PUBLIC COMPANY

If the Applicant is a public company please respond to the following questions:

- (a) Has the Applicant replaced its external auditor at any time during the last 3 years? ☐ Yes ☐ No
If yes, please attach details: _____
- (b) Have the Applicant's revenue recognition or other accounting practices been approved by its external auditor? ☐ Yes ☐ No
Please attach details of any qualifications made by and any changes recommended by such external auditor: _____
- (c) Has the Applicant changed or is it considering changes to its revenue recognition or other accounting practices? ☐ Yes ☐ No
If yes, please attach details: _____

5. U.S.A OPERATIONS

- (a) Does the Applicant conduct business in the U.S.A.? ☐ Yes ☐ No
If yes, please provide:
(i) Total Assets of the Applicant's U.S.A. subsidiaries or operations: _____
(ii) Total Revenue derived from U.S.A. subsidiaries or operations: _____
- (b) Has the Applicant issued any securities, including but not limited to any stock, shares, commercial paper or any debt or equity instruments in the U.S.A? ☐ Yes ☐ No
If yes, please complete Schedule A – U.S.A SEC Exposure Supplementary Proposal.

6. OUTSIDE DIRECTORSHIP COVERAGE

- Does the Applicant require cover for any Outside Directorships? ☐ Yes ☐ No
If yes, complete Schedule B for those positions for which the Applicant requires coverage. Note: Although Outside Directorships are automatically covered for some entities, we require information for all entities for which the Applicant seeks cover.
(An Outside Directorship is the position of Director, Officer, trustee, governor, councilor or the holder of an equivalent position in any jurisdiction held by the Applicant's Directors, Officers or employees on the board of an entity which is not a subsidiary of the Applicant or a non-profit entity, which position is assumed and maintained with the KNOWLEDGE and CONSENT or at the REQUEST of the Applicant).

7. EMPLOYMENT PRACTICES

- a) Total Number of Employees: _____
- b) If applicable, Total Number of Employees in the U.S.A: _____
- a. Has the Applicant undertaken any staff retrenchments or reductions during the last 6 years or does it anticipate making any staff retrenchments or reductions in the next 12 months? ☐ Yes ☐ No
If yes, please attach details. _____
- Does the Applicant:
- (i) Maintain a written manual of its human resource procedures? ☐ Yes ☐ No
- (ii) Have a written policy against discrimination, including sexual harassment? ☐ Yes ☐ No
- (iii) Have a written progressive discipline programme? ☐ Yes ☐ No

8. PRIOR INSURANCE

- (a) Has the Applicant ever been refused directors' & officers' liability and company reimbursement Insurance or had a similar policy cancelled? ☐ Yes ☐ No
If yes, please provide details: _____
- (b) Does the Applicant currently have directors' & officers' liability and company reimbursement Insurance? ☐ Yes ☐ No
(i) If yes, please provide the following details:

Insurer	Limit of Liability Rs.	Deductible Rs.	Policy Period

9. PRIOR KNOWLEDGE/WARRANTY

Note: This section applies if the Applicant does not currently have directors' & officers' liability and company reimbursement insurance. In addition, this section need not be completed if this proposal is with respect to a renewal of a current HDFC ERGO General Insurance Company directors' & officers' liability and company reimbursement insurance policy.

- (a) Has the Applicant or any person proposed for coverage given notice under the provisions of any prior or current directors' & officers' liability and company reimbursement insurance policy or similar insurance of facts or circumstances which might give rise to a claim being made against any such person? ☐ Yes ☐ No
- (b) Have any loss payments been made on behalf of any Applicant or any person proposed for coverage under any directors' & officers' liability and company reimbursement insurance policy or similar insurance? ☐ Yes ☐ No
- (c) Has any Director or Officer of the Applicant ever been subject to any prosecution, disciplinary action, been fined or penalised, or been the subject of any inquiry or investigation in their capacity as a Director or Officer of the Applicant? ☐ Yes ☐ No

- (d) Has the Applicant or any person proposed for coverage been involved in any civil, criminal or administrative proceeding or investigation concerning compliance with or breach of any securities law or regulation anywhere in the world? ☐ Yes ☐ No
- (e) Has there been or is there now pending against:
- (i) any director or officer of the Applicant ☐ Yes ☐ No
- (ii) an outside director requesting cover on an outside entity a claim against them in their capacity as such? ☐ Yes ☐ No
- It is agreed that any such claim is excluded from the proposed coverage.
- (f) Is the Applicant or any person proposed for coverage cognisant of any facts or circumstances which:
- (i) It, 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? ☐ Yes ☐ No
- (ii) indicate the probability of any such claim(s)? ☐ Yes ☐ No
- It is agreed that if such facts or circumstances exist, any claim, action or proceeding arising there from is excluded from the proposed coverage.
- If the answer to any one of the questions in 9. is yes, please attach details.

10. FRAUD WARNING:

This policy shall be voidable at the option of the HDFC ERGO in the event of mis-representation, mis-description or non-disclosure of any material particulars by the Applicant. Any person who, knowingly and with intent to defraud the insurance company or any other person, 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 sole discretion of the insurance company and result in a denial of insurance benefits.

ANTI REBATING WARNING:

As 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 or 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 or tables of the insurer. Any person making default in complying with the provisions of this Section shall be punishable with fine which may extend to Ten Lakhs rupees.

Data Protection Requirement (below declaration should be mentioned in Insured declaration):

"I/We hereby understand, declare, consent and authorize the Company that all details of the policy and financial information, as provided to the Company may be utilized for processing the claim made under the Policy. I/We hereby also understand, declare and consent that the Company shall have right to retain and disseminate the same to any service provider for providing services related to insurance"

ANTI- MONEY LAUNDERING:

The Company believes in adherence to Anti Money Laundering (AML) guidelines/rules as it aids in ensuring that financial institution like ours are not used as vehicle for money laundering. The policyholder/ nominee are thus bound to provide such information as may be required by the Company for ensuring the adherence of AML guidelines/rules.

SHARING OF INFORMATION CLAUSE:

The information sought from the insured is strictly for the purpose of policy issuance and policy servicing. This information sought and the details of policy are kept confidential and will not be shared with any external party in any circumstances whatsoever. However, in instances when such information/ details is sought by any governmental bodies / regulatory authorities or when the Company is directed to share such information in accordance with any law/ regulations or direction from any such governmental bodies / regulatory authorities, the Company will be bound to abide to such directions.

PAYMENT DETAILS

Amount (₹) _____ Rupees _____

DETAILS OF BANK ACCOUNT

Name of Bank Account Holder

Bank Account No.

Name of Bank: Branch:

MCR Code: IFSC Code:

Account: ☐ Saving ☐ Current

I/We wish:

Any refund due on the premium payment / any payment/claims will be directly credited to my aforesaid Bank Account.*

*As per the IRDAI, it's mandatory that all payments made to the insured are only through electronic mode.

SOURCES OF FUND

☐ Salary ☐ Business ☐ Other

DECLARATION

(To be signed by a partner or director of the Main Applicant)

I/We, the undersigned, declare and acknowledge:

- I/We hereby declare that the information given is, to the best of our knowledge and belief, correct and that we are not aware of any circumstances that we have not disclosed to you which might influence your assessment of and willingness to accept the risk.
- I/We hereby agree that, if you issue a policy to us, this proposal shall form the basis of, and be incorporated in, such policy.

- I/We agree that this declaration and the answers given above shall be the basis of the contract between me/us and the Company and shall be deemed to be incorporated in such contract. And that
- if any untrue statement be contained therein the said contract shall be absolutely null and void.
- I/We undertake to exercise all reasonable and ordinary precaution for the safety as desired and I/We agree to accept the policy in the form issued by the Company subject to the terms exceptions and conditions prescribed therein or endorsed on the policy.
- "I/We hereby understand, declare, consent and authorize HDFC ERGO General Insurance Company Ltd. that financial information, as provided to the Company may be utilized for processing the claim made under the Policy. I/We hereby also understand, declare and consent that the Company shall have right to retain and disseminate the same to any service provider for providing services related to insurance"
- I, hereby grant consent to Agent/Broker/Corporate Agent or any other licensed intermediary to share my KYC (Know your Customer) and customer due diligence information with HDFC ERGO General Insurance Company Limited for the purpose of my insurance proposal.

Signed _____
(Chairman of Board)

Date: ____/____/____

Signed _____
(Managing Director or Chief Executive Officer)

Date: ____/____/____

Notice:

PLEASE NOTE: ONLY DULY APPOINTED AGENTS OF THE COMPANY ARE AUTHORISED TO SOLICIT PROPOSALS FOR INSURANCE. AGENTS AND BROKERS ARE NOT AUTHORISED TO BIND INSURANCE. NO COVERAGE SHALL BE PROVIDED UNLESS THE COMPANY ACCEPTS THE PROPOSAL AND BINDS THE INSURANCE.

TERMS AND CONDITIONS

Note: The liability of the Company does not commence until the acceptance of the proposal has been formally intimated by the insured and full premium has been realized by the company.

We are under no obligation to accept any proposal for insurance. The Applicant agrees that the receipt of the Proposal Form by HDFC ERGO General Insurance Company Limited along with the premium payment does not tantamount to the acceptance of the Proposal for insurance by HDFC ERGO General Insurance Company Limited and does not result in a concluded contract of insurance. The acceptance of the Proposal for insurance shall be at the Company's sole and absolute discretion and upon full realization of the premium payment. In the event of acceptance of the Proposal for insurance by HDFC ERGO General Insurance Company Limited, such acceptance shall be specifically intimated to the Applicant by HDFC ERGO General Insurance Company Limited along with the date from which the insurance Cover shall become effective. HDFC ERGO General Insurance Company Limited shall not be liable for any claim in respect of an event giving rise to a claim covered under the Policy of Insurance that has occurred prior to policy issuance is not covered under this Policy (Your proposal form will be considered after HDFCERGO General Insurance Company Limited receives premium payment)