

VENTURE CAPITAL ASSET PROTECTION POLICY

Completing the Proposal Form

- 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.
- This proposal forms part of the Policy Documents
- 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.
- It is agreed that the whenever used in this proposal form, the term Applicant shall mean the Organisation, all its Subsidiaries and any Private Fund, as defined in the HDFC ERGO Venture Capital Asset Protection Policy ("policy").
- It is agreed that whenever used in this proposal form the definition of the terms 'Claims', 'Policy Period', Defence Costs' or 'Legal Representation Expenses' are in accordance with the policy.

The Venture Capital Asset Protection Coverage Section is written on a Claims made basis. The Coverage Section 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 exhausted by the payment of Defence Costs or Legal Representation Expenses.

PLEASE READ THE ENTIRE POLICY AND THE PROPOSAL FORM CAREFULLY.

DETAILS ABOUT PROPOSER

Name of Proposer :

Present Address of Proposer :

City District

State Pin Code

Is your present address same as your permanent address? ☐ Yes ☐ No

If no, please state your permanent address along with pin code:

City District

State Pin Code

Address proof (document & number):

Phone No.: Mobile

Landline

Email:

Identity proof (document & number):

Occupation: Salaried ☐ Professional ☐ Self Employed ☐ Student ☐ Housewife ☐

Retired ☐ Other (Please specify)

Industry Type: Jewellery ☐ import-export ☐ mining ☐ shipping ☐ scrap dealing ☐ real estate ☐

agriculture ☐ stock broking ☐ BFSI ☐ manufacturing ☐ others (Please specify):

Income (Annual): 0-2.5 lakh ☐ 2.5 - 5 lakh ☐ 5 - 20 lakh ☐ 20-30 lakh ☐ 30 lakh and above ☐

Income proof: _____

PAN (document & number): _____

Existing KYC Number, if any: _____

Policy to be issued in favor of (list out all the parties who have insurable interest) including the financial institutions

Period of Insurance: From To

Nomination: ☐ Yes ☐ No

If yes, please provide the below details:

Nominee Name	Nominee Relation	Nominee DOB	Age	Nomination %	Appointee Name if in case of Minor Nominee	Appointee Relationship, if Nominee is minor

MANAGEMENT

How often are Board of Directors/Partnership Management Committee/Trustee meetings held?

Indicate the areas in which formal policies and/or procedures have been implemented by the Board of Directors/Management Committee/Trustee to address the following:

- | | |
|---|---|
| <input type="checkbox"/> Portfolio Company Valuations | <input type="checkbox"/> Merger and Tender Offers |
| <input type="checkbox"/> Audit Policy | <input type="checkbox"/> Operations Procedures |
| <input type="checkbox"/> Conflicts of Interest Policy | <input type="checkbox"/> Personnel Policy |
| <input type="checkbox"/> Duties of Directors and Officers | <input type="checkbox"/> Risk Management Policy |
| <input type="checkbox"/> Investment Policy | <input type="checkbox"/> Selection Process for New Directors/Partners |
| <input type="checkbox"/> Distribution Policy | <input type="checkbox"/> Protection of Non-Public Information |
| <input type="checkbox"/> Insider Trading | <input type="checkbox"/> Portfolio Company Securities Trading "Blackout Period" |

How often does the Board of Directors/Management Committee/Trustee review the following?

- | | |
|------------------------------------|-------|
| a. Financial Statements | _____ |
| b. Portfolio Company Performance | _____ |
| c. Portfolio Company Valuations | _____ |
| d. Insurance | _____ |
| e. Investment/Lending Strategy | _____ |
| f. Threatened or Actual Litigation | _____ |

Is an Advisory Board and/or investment committee involved in management decision making? ☐ Yes ☐ No

a. If yes, please provide, full details including:

- | | |
|-------------------------------|-------|
| (i) composition: | _____ |
| (ii) roles/ responsibilities: | _____ |
| (iii) affiliations: | _____ |

Are members of the Advisory Board and/or investment committee indemnified by the Applicant? ☐ Yes ☐ No

Have there been any changes in senior management in the last five (5) years? ☐ Yes ☐ No

If yes, please attach full details

Name of Applicant's external audit firm _____

Has the Applicant replaced its external audit firm at any time during the last three (3) years? ☐ Yes ☐ No

If yes, please attach full details

Name of Applicant's external audit firm _____

Has the Applicant changed its external legal counsel and/or law firm within the last three (3) years? ☐ Yes ☐ No

If yes, please attach full details

Is the Applicant considering the formation of any new Private Fund(s) within the next twelve (12) months? ☐ Yes ☐ No

a. If yes, please provide, full details including:

(i) composition: _____

(ii) roles/ responsibilities: _____

(iii) affiliations: _____

PORTFOLIO COMPANIES

With respect to Portfolio Companies:

a. Does the Applicant require a hold harmless agreement when an investment is made by a Private Fund? ☐ Yes ☐ No

b. Is unanimous approval of the Applicant's general partners, managing members, members of a Board of Managers, trustee or Board of Directors required for an investment to be made? If no, please attach a description of the investment decision making process. ☐ Yes ☐ No

c. Provide a description of professional services provided by the Applicant to the Portfolio Companies

Does the Applicant ever provide any professional services to entities that are not Portfolio Companies? ☐ Yes ☐ No
If yes, please attach details on how often and under what circumstances.

OUTSIDE DIRECTORSHIP LIABILITY

Does the Applicant secure board representation when an investment is made by a Private Fund? ☐ Yes ☐ No
If yes, please complete Schedule I of this proposal

Does the Applicant require that directors & officers liability insurance be in place prior to securing board representation? ☐ Yes ☐ No

Does the Applicant confirm whether indemnification is available from each Portfolio Company for which a board position has been secured? ☐ Yes ☐ No

Does the Applicant ever maintain board representation post Portfolio Company exit or initial public offering? ☐ Yes ☐ No
If yes, please attach details on how often and under what circumstances

Does the Applicant require cover for Outside Directorship positions on the boards of Portfolio Companies which have been discontinued prior to the date of this Proposal form? ☐ Yes ☐ No
If yes, please complete Schedule J

CRIME INSURANCE

Complete this section only if Crime Insurance coverage is requested for the named Applicant and its subsidiaries

- a. Does the Applicant conduct pre employment screening prior to hiring new staff? ☐ Yes ☐ No
- b. Does the Applicant have controls in place to ensure segregation of duties when transferring funds or property to another organisation? ☐ Yes ☐ No

Is there segregation of duties with respect to the following activities;

- a. Opening an account? ☐ Yes ☐ No
- b. Disbursing assets? ☐ Yes ☐ No
- c. Signing cheques and authorising payments in excess of ₹ 10,000 ☐ Yes ☐ No
- d. The handling of securities? ☐ Yes ☐ No

How often are external audits completed?

☐ Yes ☐ No

Do external audits include all locations?

☐ Yes ☐ No

Explain any 'no' answers by way of attachment

LITIGATION

Have there been during the last five (5) years, or are there now pending, any suits, claims or proceedings against any Applicant?

If yes, please attach full details.

☐ Yes ☐ No

Have there been, or are there now pending, any suits, claims, or proceedings against any person proposed for this insurance in their capacity as either director, company secretary, officer, general partner, managing general partner, managing member, member of a Board of Managers, trustee, or equivalent executive of any Applicant?

If yes, please attach full details.

☐ Yes ☐ No

Has the Applicant or any person proposed for coverage given notice under the provisions of any prior or current venture capital asset protection, directors' & officers' liability and company reimbursement or professional liability insurance policy or similar insurance of facts or circumstances which might give rise to a claim being made against any such person?

☐ Yes ☐ No

WITH RESPECT TO QUESTIONS E.1. E.2 AND E.3 ABOVE, IT IS AGREED THAT ANY CLAIMS ARISING FROM SUCH SUITS, CLAIMS OR PROCEEDINGS ARE EXCLUDED FROM THE PROPOSED INSURANCE.

Is the undersigned or any director, company secretary, officer, general partner, managing general partner, managing member, member of a Board of Managers, trustee, or holder of an equivalent position in any jurisdiction of any Applicant aware of any fact, circumstance, situation, or wrongful act involving any Applicant or any Applicant's directors, company secretary, officers, general partners, managing general partners, managing members, members of a Board of Managers, trustees, or holders of an equivalent position in any jurisdiction which he has reason to believe might result in any future claim that would fall within the scope of the proposed insurance?

If yes, please attach full details.

☐ Yes ☐ No

Has any Applicant or any director, company secretary, officer, general partner, managing general partner, managing member, member of a Board of Managers, trustee, or holder of an equivalent position in any jurisdiction of the Applicant been involved in:

- a. Any copyright or patent litigation? ☐ Yes ☐ No
- b. Any civil or criminal action or administrative proceeding involving a violation of any national, federal, state or territory security law or regulation? ☐ Yes ☐ No
- c. Any civil or criminal action or administrative proceeding involving a violation of any national, federal, state or territory trade practices or fair trade law? ☐ Yes ☐ No
- d. Any representative actions, class actions, or derivative suits? ☐ Yes ☐ No

If yes to any of the above please attach full details.

WITH RESPECT TO QUESTIONS E.4 AND E.5 ABOVE, IT IS AGREED THAT IF THE UNDERSIGNED OR ANY DIRECTOR, COMPANY SECRETARY, OFFICER, GENERAL PARTNER, MANAGING GENERAL PARTNER, MANAGING MEMBER, MEMBER OF A BOARD OF MANAGERS, TRUSTEE, OR HOLDER OF AN EQUIVALENT POSITION IN ANY JURISDICTION OF ANY APPLICANT IS AWARE OF ANY FACT, CIRCUMSTANCE, SITUATION OR WRONGFUL ACT, THEN ANY CLAIM SUBSEQUENTLY ARISING THEREFROM SHALL BE EXCLUDED FROM THE PROPOSED INSURANCE POLICY.

PRIOR INSURANCE

Has the Applicant ever been refused directors' & officers' liability and company reimbursement Insurance or had a similar policy cancelled?
If yes, please attach details ☐ Yes ☐ No

Does the Applicant currently have directors' & officers' liability and company reimbursement Insurance?
If yes, please provide the following details ☐ Yes ☐ No

Insurer	Limit of Liability Rs.	Deductible Rs.	Policy Period

PLEASE COMPLETE THE ATTACHED SCHEDULES

SCHEDULE OF PRIVATE FUNDS

							Audited Financial Information at Most Recent Fiscal Year End			
Name of Private Funds	Date Created or Acquired	State or Country Principal Operations	Number of Limited Partner, if applicable	Total Committed Capital (in Millions)	Industry Focus	Investment Stage	Total Contributed Capital to Date (in Millions)	Number of Portfolios Companies	Number of Portfolios Companies Written Off	Internal Rate of Return (IRR)

This information is attached to and forms a part of the proposal form for Venture Capital Asset Protection policy.
It is agreed that insurance is only provided for Private Funds listed above or by attachment.

SCHEDULE OF ALL OUTSIDE DIRECTORSHIPS ON PORTFOLIO COMPANIES FOR WHICH COVER IS REQUIRED AS AT THE DATE OF THIS PROPOSAL

										Audited Financial Information at Most Recent Fiscal Year End			
Name of Portfolio Company & of Insured Person appointed to its board	Date Created or Acquired	Total Amount Invested	Current Fair Market Value	% Ownership	Nature of Business	State or Country of Principal Operations	D & O Insurance carried by the Portfolio Company. If yes, specify limited	Number of Board Seats	Publicly Traded: Yes or No	Total Revenues (in Millions)	Total Assets (in Millions)	Total Debt (in Millions)	Net Income (in Millions)

This information is attached to and forms a part of the proposal form for Venture Capital Asset Protection Policy.

It is agreed that insurance is only provided for the Outside Directorships listed above that constitute Outside Entities in accordance with the policy terms and conditions and any other entity for which the Company agrees to provide Outside Directorship Liability cover by endorsement.

SCHEDULE OF OUTSIDE DIRECTORSHIPS ON THE BOARDS OF PORTFOLIO COMPANIES DISCONTINUED PRIOR TO THE DATE OF THIS PROPOSAL FORM

									Audited Financial Information at Most Recent Fiscal Year End			
Name of Portfolio Company & of Insured Person appointed to its board	Date of Appointment to Board	Date Outside Directorship position discontinued	Total Amount Invested	Percent of Ownership Interest	Nature of Business	State or Country of Principal Operations	Number of Board Seats held prior to discontinuance	Reason for discontinuing Outside Directorship position (eg. trade sale, IPO liquidation, other (please specify))	Total Revenue (in Millions)	Total Assets (in Millions)	Total Debt (in Millions)	Net Income (in Millions)

This information is attached to and forms a part of the proposal form for Venture Capital Asset Protection Policy.

It is agreed that insurance is only provided for the Outside Directorships listed above for which the Company agrees to provide Outside Directorship Liability cover by endorsement.

Requested Limit(s): _____

2. With respect to the Applicant (other than proposed Private Funds), please attach the following documents with this proposal:
 - (a) Latest two audited annual financial statements.
 - (b) Latest quarterly financial statements.
3. With respect to each Private Fund proposed for insurance, please attach the following documents with this proposal:
 - (a) Copy of partnership agreement, where applicable.
 - (b) If not included in 2.a., provide list of limited partners and corresponding capital commitments.
 - (c) Copy of private placement memorandum, offering memorandum, prospectus or equivalent.
 - (d) Copy of latest annual and quarterly reports to limited partners, investors or unit holders.
 - (e) Copy of management agreement.
2. Please attach Applicant's current organisational chart.

OTHER INFORMATION

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.

DATA PROTECTION REQUIREMENT:

"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.

PREMIUM DETAILS

PREMIUM DETAILS:

Amount (INR) _____

GST (INR) _____

Premium including tax (INR) _____

Rupees in words _____

PAYMENT DETAILS:

Cheque NEFT

Instrument No. _____ Instrument Date: _____

Bank Account No. _____

Account Type: Savings / Current / Other. If others, please specify _____

Branch Name & Address: _____

IFSC Code _____ MICR Code _____

Bank details for refund of premium in case of cancellation to be considered as above ☐ Yes ☐ No

If No, please provide additional bank details in below provided space:

Bank Account No. _____

Account Type: ☐ Savings ☐ Current ☐ Other. If others, please specify _____

Branch Name & Address: _____

IFSC Code _____ MICR Code _____

Nationality: ☐ Indian ☐ Non – Indian ☐ If Non-Indian, please specify Country: _____

Are you a Political Exposed Person or related to Political Exposed Person: ☐ Yes ☐ No (appropriate tick) If Yes, give details _____

Note: Politically Exposed Persons” (PEPs) are individuals who are or have been entrusted with prominent public functions domestically/in an international organisation/in a foreign country. This would include individuals who have or had positions of Heads of States or Government, Senior Politicians, Senior Government or Judicial or Military officers, Senior Executives of State-Owned Corporations and important Political Party Officials.

Type of Organization

Corporation: _____ Governments: _____

Society: _____ Private Organizations: _____

International Organization: _____ Partnership: _____

Trust: _____ Others: _____

Sources of Fund:

Salary _____ Business _____ Other _____

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

Note:

1. Please provide a cancelled copy of cheque of your bank account.
2. The Company will not be responsible in case of non-credit or delay in processing of payout due to incomplete/ incorrect information provided by the customer. Please ensure that you provide accurate details to the Company.

If you require physical copy of your policy in future, please visit "Help" section on www.hdfcergo.com or contact our customer care.

Note: The liability of the company does not commence until the acceptance of the proposal has been formally intimated by the Proposer 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 HDFC ERGO General Insurance Company Limited receives premium payment).

Insurance is the subject matter of the solicitation**DECLARATION BY INSURED/REPRESENTATIVE (IN CASE PROPOSER IS DISABLED)**

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/We hereby confirm that all premiums have been/will be paid from bonafide sources and no premiums have been/will be paid out of proceeds of crime related to any of the offence as listed in Prevention of Money Laundering Act, 2002 & its subsequent amendments thereof. I understand that the Company has the right to call for documents to establish sources of funds.
- 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.
- I hereby authorize the Company to notify me through email, SMS, or any other electronic mode any information pertaining to my proposal, policy document, claim servicing etc.
- I/ We authorize the Company to process my/ our Personal as well as Sensitive information for profiling purposes and to contact me/ us for renewal of my/our policy. I/We also authorise the Company to contact me/us (including overriding my/our registration on NDNC under the extant TRAI Regulations) to promote products and to notify me/us about the services being rendered by the Company.
- We hereby authorise the Company to share/ verify the information provided by me/us pertaining to my proposal with third party, rating agencies or service provider for the purpose of underwriting the proposal, issuance of a policy or settling of a claim under the policy.

Date : _____

Place : _____

Signature of the Proposer _____

VERNACULAR DECLARATION

Declaration in case the proposal is filled other than the Proposer / the proposer sign in vernacular language / proposer is not familiar with the language printed here/ proposer is illiterate (to be certified by someone other than agent/employee of the company)

(The content of this form and its particulars have been explained by me in vernacular to the Proposer who has understood and confirmed the same.)

Name of the Translator: _____

Place: _____

Date: _____

Signature of the Translator

Name of the Proposer: _____

Place: _____

Date: _____

Signature of the Proposer

INTERMEDIARY DECLARATION

I, _____ (Full Name) in my capacity as an Insurance Advisor/ Specified Person of the Corporate Agent/Intermediary/Authorized employee of the Broker/Relationship Officer, do hereby declare that I have explained all the contents of this Proposal Form, Including the nature of the questions contained in this Proposal Form to the Proposer including statement(s), information and response(s) submitted by him/her in this Proposal Form to questions contained herein or any details sought here in will form the basis of the Contract of Insurance between the Company and the Proposer, if this Proposal is accepted by the Company for issuance of the Policy. I have further explained that if any untrue statement(s)/information/response(s) is/are contained in this Proposal Form/ including addendum(s), affidavits, statements, submissions, furnished/ to be furnished, the company shall have the right to vary the benefits which may be payable and further more if there has been a non-disclosure of any material fact, the policy issued to his/her favor pursuant to this Proposal may be treated by the Company as null and void and all premiums paid under the Policy may be forfeited to the company.

Signature of Intermediary _____ Date _____

Time _____ Place _____

INSURANCE ACT 1938 SECTION 41- PROHIBITION OF REBATES

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 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 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.