

ALPHA INSURANCE POLICY FOR INVESTMENT MANAGERS - PROPOSAL FORM

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 whenever used in this proposal form, the term Applicant shall mean the Organisation and all its Subsidiaries and the definition of the terms 'Claims', 'Policy Period' 'Legal Representation Expenses', 'Defence Costs', 'Fund or 'Mandate are in accordance with the policy.

The Liability Coverage Section of the Alpha by HDFC ERGO is written on a claims made basis. The Liability Coverage Sections of the policy cover only Claims first made during the Policy Period or any Extended Reporting Period. The Crime Coverage Section of the Alpha by HDFC ERGO is written on a loss discovered basis. The Crime Coverage Section of the policy covers only loss first discovered during the Policy Period. For all Coverage Sections of the Alpha by HDFC ERGO 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.

GENERAL INFORMATION

Name of Applicant																														
	(First Name)										(Middle Name)										(Last Name)									
Address																														
City																Pin Code														
Company Registration No.																														

Is the Applicant listed on the National Stock Exchange?

☐ Yes ☐ No

Are any entities proposed for coverage registered with the USA Securities and Exchange Commission? If yes attach details

☐ Yes ☐ No

COVER REQUESTED

			Limit of Liability
Professional Liability Insurance	<input type="checkbox"/> Yes	<input type="checkbox"/> No	₹
Directors and Officers' Liability Insurance	<input type="checkbox"/> Yes	<input type="checkbox"/> No	₹
Crime Insurance	<input type="checkbox"/> Yes	<input type="checkbox"/> No	₹
Dedicated Additional Limit for Executives (D&O)	<input type="checkbox"/> Yes	<input type="checkbox"/> No	₹
Aggregate Limit of Liability each Policy Period			₹
Deductible Requested			₹

DIRECTORS AND OFFICERS LIABILITY/PROFESSIONAL LIABILITY

Complete this section only if Directors and Officers Liability coverage and/or the Professional Liability coverage is requested for the named Applicant and its subsidiaries.

- (a) Complete the attached Schedule of Proposed Funds and Mandates
- (b) Complete the attached Investor Profile Schedule
- (c) Please Provide the name and ownership percentage of any shareholder owning more than 10% of any issued shares of the Applicant: _____
- (d) Please provide the following documents and information:
- (i) Latest prospectus/ product disclosure statement/ offer memorandum provided to customers in respect of each Fund in respect of which cover is requested
 - (ii) Contractual agreements with customers for Mandates in respect of which cover is requested
 - (iii) Latest investment performance report for each Fund and Mandate.
 - (iv) Latest financial report of the Applicant
 - (v) Independent analysts' reports in respect of any Fund in respect of which cover is requested
 - (vi) Copies of any brochures or sales materials.
- (e) Provide the names of the providers of the following services to the Applicant (where they differ by Fund please specify for each):
- (i) Custody: _____
 - (ii) Registry: _____
 - (iii) Administration: _____
 - (iv) Stock broking / dealing: _____
 - (v) Fund Management: _____
 - (vi) Trustee: _____
- (f) Advise how the Applicant's Fund products are distributed: _____
- (g) Advise how many staff the Applicant has: _____
- (h) Does the Applicant have a complaints register? ☐ Yes ☐ No
- (i) How many complaints were received in the past three years? _____
 - (ii) How many complaints remained unresolved after 90 days? _____

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
- (c) Please provide the following documents and information:
- (i) Opening an account? ☐ Yes ☐ No
- (ii) Disbursing assets? ☐ Yes ☐ No
- (iii) Signing cheques and authorising payments in excess of ₹10,000 ☐ Yes ☐ No
- (iv) The handling of securities? ☐ Yes ☐ No
- (d) How often are external audits completed? _____
- (e) Do external audits include all locations? ☐ Yes ☐ No
Explain any 'no' answers by way of attachment _____

OUTSIDE DIRECTORSHIP COVER

If the Applicant requires cover for any Outside Directorship, you are required to complete Schedule 2 - Outside Directorship Liability Supplementary Proposal Form.

(An Outside Directorship is the position of Director, Officer, trustee, governor or councillor held by the Applicant's Directors, Officers or employees on the board of an entity which is not a subsidiary of the Applicant, which position is assumed and maintained with the KNOWLEDGE and CONSENT or at the REQUEST of the Applicant).

PRIOR KNOWLEDGE / WARRANTY

Note: This section need not be completed if this proposal is with respect to a renewal of a current Alpha by HDFC ERGO Insurance policy.

- (a) Has the Applicant or any person proposed for coverage given notice under the provisions of any prior or current professional liability insurance, fidelity bond or directors' & officers' 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
If yes, please attach details
- (b) Have any loss payments been made on behalf of any Applicant or any person proposed for coverage under any professional liability, fidelity bond or directors' & officer's liability insurance or similar insurance? ☐ Yes ☐ No
If yes, please attach details.
- (c) Has there been or is there now pending against any suits claims or proceedings against any Applicant or any person proposed for coverage? ☐ Yes ☐ No
If yes, please attach details.
It is agreed that any such claim as arising in response to the questions herein above (Please confirm) is excluded from the proposed coverage.
- (d) Is any person proposed for coverage cognizant of any facts or circumstances which:
- (i) 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
If yes to either of the above questions, please attach details.

It is agreed that if such facts or circumstances exist, any claim, action or proceeding arising there from is excluded from the proposed coverage.

FRAUD WARNING

This policy shall be voidable at the option of the Company in the event of mis-representation, mis-description or non-disclosure of any material particulars by the Proposer. 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. Violations of Section 41 of the Insurance Act 1938, as amended, shall be punishable with a fine which may extend to ₹10 Lakhs.

PREMIUM DETAILS

Amount Rs. Rupees: _____

BANK ACCOUNT DETAILS

Name of the Bank Account Holder:

Bank Account No.:

Name of Bank: Branch:

MICR Code: (9 digit MICR code number of the bank and branch appearing on the cheque issued by the bank)

IFSC Code: (11 character code appearing on your cheque leaf) Account: Savings ☐ Current ☐

I wish: ☐ Any refund due on the premium payment / any payment/claims will be directly credited to my aforesaid Bank Account.*
*As per the IRDAI, its mandatory that all payments made to the insured only through electronic mode.

SOURCES OF FUND

Salary: ☐ Business: ☐ Other: ☐ (Please Specify): _____

INSURER'S DECLARATION

The undersigned authorised officers of the Applicant declare that to the best of their knowledge and belief the statements set forth herein and all attachments and schedules hereto 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 the insurance. Although the signing of the proposal does not bind the undersigned, on behalf of the Applicant and its directors and officers, to effect insurance, the undersigned agree that this proposal and all attachments and schedules hereto and the said statements herein shall be the basis of and will be incorporated in the policy should one be issued.

This proposal must be signed by the Applicant's Chairman of the Board, Managing Director or Chief Executive Director.

Place

Date

Signature

SCHEDULE 1 - PROPOSED FUNDS AND MANDATES

Fund / Client Name	Nature of Fund / Mandate Investments	Date Established	Current FUM	Current Gearing Level	Minimum Investment Required	Average Investment Received	Net Fund Flows in Last Year
TOTAL FUM							

This information is attached to and forms a part of the Proposal

SCHEDULE 2 - OUTSIDE DIRECTOR LIABILITY COVERAGE

PLEASE ATTACH LATEST ANNUAL REPORT INCLUDING FINANCIAL STATEMENTS FOR EACH OUTSIDE ENTITY WHICH IS:

- located, incorporated, domiciled or operated in the USA.
- registered or approved for direct or indirect trading on a national securities exchange or over the counter trading system anywhere in the world
- carrying on a financial services business anywhere in the world including the provision of banking or investment services, or general, life and health insurance and reinsurance.
- not prevented by its governing documents from distributing profits or assets for the benefit of members.

The Outside Entities listed in Section 1. below will be underwritten and we will advise our coverage position at the time of quoting.

For all other entities we only require Section 2. of the Schedule to be completed. These Outside Entities will be added automatically.

Note that cover will not be provided to any entity that is not listed in the Schedule- or any subsequent Schedules provided during the Policy Period.

Section 1

Name of Outside Entity	Does the Outside Entity provide an indemnity for the Outside Directors & Officers?	Who is the Directors and Officers Insurer of the Outside Entity?	What is the Directors and Officers Insurance Policy Number?	What Directors and Officers Limit of Liability is purchased?	Has the Outside Entity or its directors and officers been involved in any D&O litigation related to the Outside Entity? If yes, attach details

Section 2 – those entities that do not fall within any of the four categories listed above

Name of Outside Entity	Who is the Directors and Officers Insurer of the Outside Entity?	What is the Directors and Officers Insurance Policy Number?	Has the Outside Entity or its directors and officers been involved in any D&O litigation related to the Outside Entity? If yes, attach details

SCHEDULE 3 - INVESTOR PROFILE

Percentage by Type	Current Year (%)	Previous Year (%)
High Net Worth Individuals (HNWIs)		
Family Offices		
Pension Funds		
Institutional		
Retail Investors		
Others (please specify)		

Percentage by Geography	Current Year (%)	Previous Year (%)
Asia		
United States of America (USA)/ Canada		
United Kingdom (UK)/ Europe		
Rest of World (please specify)		