



MUTUAL FUND ASSET PROTECTION INSURANCE - PROPOSAL FORM

MUTUAL FUND ASSET PROTECTION 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 READ CAREFULLY.

DEFENSE COST PROVISIONS: PLEASE NOTE THAT THE DEFENSE COSTS PROVISION OF THIS POLICY STIPULATES THAT THE AGGREGATE LIMIT OF LIABILITY MAY BE COMPLETELY EXHAUSTED BY DEFENSE COSTS. ANY DEDUCTIBLE MAY BE SIMILARLY REDUCED OR EXHAUSTED BY DEFENCE COSTS.

Please answer all of the following inquiries. If HDFC Ergo General Insurance Company Limited (hereinafter referred to as the "Company") agrees to issue a policy, all of the information which the Applicant provides will become a part of and shall form the basis of any policy issued to the Applicant by the Company and shall be incorporated therein. Any misrepresentation, omission, concealment or incorrect statement of a material fact in this Proposal will be grounds for rescission.

Please note: The term "Applicant" as used in this Proposal refers to the Trustee, Investment Manager, their directors, officers and employees and all Mutual Funds for which coverage is required. It is agreed that coverage is required only for those entities listed on the Schedule of Proposed Named Insured.

GENERAL INFORMATION

- Name of Applicant _____
Address _____
Is the Applicant licensed by any regulatory authority? Yes No
If yes, please list the regulatory authority(ies) _____
- Year Applicant commenced operations:
a) Investment Manager _____
b) Trustee _____
- Coverage requested:
Insured Mutual Fund Yes No
Insured Trustee Yes No
Insured Investment Manager Yes No
Directors' and Officers' Liability Yes No
- Limit of Liability Required - Aggregate each Policy Period Rs. _____ Rs. _____
- Please complete the attached Schedule of Proposed Named Insureds on Page 10.
- Please provide the following documents and information:
a) Latest audited annual report & accounts to unit holders
b) Latest interim report & accounts to unit holders
c) List and percentage ownership of unit holders which hold 5% or more interest in each of the Mutual Funds
d) Latest prospectus or offering memorandum and brochure offered to unit holders
e) Trust Deed
f) Investment Management Agreement
g) Other Advisory or Sub-delegation Agreements
h) Applicant's current organisational chart
- Please indicate the officer position of the Applicant whose incumbent will be designated as agent of the Applicant and of all Insureds, to receive any and all notices from the Company or the Company's authorised representative(s) concerning this insurance.
Position _____ Name of Current Incumbent _____
- a) Has any Applicant been involved in any mergers, acquisitions or consolidations in the past three (3) years? Yes No
If yes, please provide full details. _____
b) Is any Mutual Fund presently involved in or considering any merger, acquisition or change in control? Yes No
If yes, please provide full details. _____
c) Have any Mutual Funds been dissolved in the past three (3) years? Yes No
If yes, please provide full details. _____
d) Will any Mutual Funds be dissolved within the next twelve (12) months? Yes No
If yes, please provide full details. _____
- a) Number of offices in India of Trustee: _____
Number of offices in India of Investment Manager: _____
b) Are any of the Trustee's or Investment Manager's offices located outside of India? Yes No
If Yes, please state the number and their location(s): _____
- Are shares or units of any Mutual Fund sold to investors residing outside India? Yes No
If yes, please provide details. _____
- Indicate the areas in which formal policies and/or procedures have been implemented by the Trustee and/or Investment Manager to address the following:

Investment Policy	Risk Management Policy
Investment Asset Valuations	Audit Policy
Conflicts of Interest	Directors and Officers Duties
Insider Trading	Operations Procedures
Redemption Policy	Personnel Policy

- a) What investment restrictions are imposed on the Mutual Fund(s)? _____
b) How are investment restrictions monitored and by whom? _____
c) Are exceptions to the investment restrictions permitted? Yes No
If YES, please describe the procedures for exceptions: _____
d) Does any Mutual Fund invest in one particular a) industry or b) geographic location? Yes No
If YES, please describe which industries and/or geographic locations the Mutual Fund invests in: _____

- e) Does any Mutual Fund offer capital guaranteed investments? Yes No
- f) Does any Mutual Fund invest in derivative securities? Yes No
- If YES, please describe procedures for managing such investments: _____
13. a) Do all Mutual Funds have an investment committee that is responsible for determining investment strategy and objectives and the implementation of policies for monitoring investment performance and positions? Yes No
- If NO, who performs this function for each Mutual Fund? _____
- b) How often does the investment committee meet? _____
14. a) How often are fund assets valued? _____
- b) Who undertakes the valuation of fund assets? _____
- c) Please describe the methodology(ies) used to value fund assets: _____
- d) How often are fund valuations the subject of audit? _____
15. Please describe the stock selection process: _____
16. a) Describe the manner in which investors are advised of fund performance: _____
- b) How often are investor's informed of fund performance? _____
17. Please describe the formal procedure in place for dealing with investor complaints: _____
18. Do all prospectus' and/or offer documents for each Mutual Fund detail the following:
- a) The function and responsibilities of the investment manager?
- b) Management and administration fees?
- c) Investment Strategies and Objectives?
- d) Investment Procedure?
- e) Warnings regarding the risks associated with the assets invested in including but not limited to a statement that there is no guarantee of performance or against loss resulting from investment in such assets?
- f) The manner in which valuations are to be conducted?
- g) Redemption of units or shares in the Mutual Fund?
19. a) Name of current external auditor _____
- b) Has the Applicant changed its external auditor in the last three years? Yes No
- If YES, please explain: _____
- c) Does the Applicant have an internal audit department? Yes No
- d) State the number of staff in the internal audit department: _____
- e) What is the frequency of internal audits? _____
- f) Have all criticisms from the last external and/or internal auditors review been corrected? Yes No
- If NO, please detail the areas requiring correction: _____
- g) Does the Applicant have an in-house legal department or counsel? Yes No
- If YES, how many qualified lawyers does the department consist of? _____
- What are the department's responsibilities? _____
- h) Does the Applicant use a standard form of contract setting out the terms and conditions of the services provided? Yes No
- If YES, (i) are all contracts approved by legal counsel? Yes No
- (ii) do all contracts provide an indemnity to and/or limit the Yes No
- Applicant's liability?**
- (i) Does the Applicant have a Compliance Officer? Yes No
- If YES, state his/her duties, to whom he/she reports and attach his/her resume: _____
20. Has any government agency, foreign or domestic, conducted an inspection of any Applicant within the past three (3) years? Yes No
- If yes, was any letter of deficiency or review of licensing received as a result of the inspection? Yes No
- If yes, please attach a copy of such letter and management's response. Yes No
21. a) Have there been during the last five (5) years, or is there now pending any suits, claims, or proceedings against any Applicant Yes No
- If yes, please provide full details. _____
- b) Is the Applicant aware of any fact, circumstance, situation or wrongful act which would fall within the scope of the proposed insurance? Yes No
- If yes, please provide full details. _____
- With respect to Question 21. (a) and (b), it is agreed that if the Applicant is aware of any such fact, circumstance, situation or wrongful act, any claim subsequently arising therefrom shall be excluded from coverage.**
22. During the past five (5) years, has any claim been made under any prior or current Mutual Fund Indemnification, Trustees Liability or Investment Managers Professional Indemnity Insurance, Fidelity Bond, or Directors & Officers Liability Insurance providing coverage to any of the Applicants for this insurance, or has notice been given to any company providing such coverage? Yes No
- If yes, please provide full details. _____
23. If at any time the Applicant has not carried any of the coverages mentioned in Item 22., have there been any losses that would have been submitted under the policies if such coverages had been in place? Yes No
- If yes, please provide full details. _____
24. Has any insurer refused or cancelled or refused to renew any of the coverages mentioned in Item 22? Yes No
- If yes, please state reasons: _____
25. In the past twelve (12) months, have there been any changes, modifications or material changes in the investment restrictions, policies or administration of any Mutual Fund? Yes No
- If yes, please outline changes or modifications. _____
26. With respect to any previous Mutual Fund Indemnification, Trustees Liability or Investment Managers Professional Indemnity Insurance carried, please advise the following
- a) Insurer: _____
- b) Limit: Rs. _____
- c) Deductible: Rs. _____
- d) Policy Period: From _____

