



Investment Managers Liability Insurance Proposal Form

The following documents must be submitted with this proposal form:

- (a) The annual report and financial statements of the FUND MANAGER for the last three years;
- (b) Any PDS / Prospectus-type document issued in the last three years;
- (c) Management Agreements (if applicable)
- (d) FUND Performance for the past five years;
- (e) A Sample compliance plan
- (f) CV's of Key Personnel
- (g) Business plan if start-up operation

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1. All questions must be answered giving full and complete answers.
 2. Please ensure that this Proposal Form is Signed and Dated.
 3. This document is designed to be completed electronically.

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IMPORTANT NOTICES

Pursuant to the provisions of the *Insurance Contracts Act 1984*, Underwriters are required to notify you of the following relevant information.

Your Duty of Disclosure

In accordance with the provisions of the *Insurance Contracts Act 1984*, you have a duty to disclose to the Underwriter every matter that you know, or could reasonably be expected to know, is relevant to the Underwriter's decision whether to accept the risk of the insurance and, if so, on what terms.

This duty does not require disclosure of matters that diminish the risk to be undertaken by the Underwriter, that are common knowledge, or that the Underwriter knows or, in the ordinary course of its business, should know, or as to which compliance with your duty is waived by the Underwriter.

It should be noted that this duty continues until the Policy is entered into with Underwriters, and extends to any renewal, reinstatement, variation or extension to the Policy.

Non-Disclosure

Underwriter may be entitled to either reduce their liability under the contract in respect of a Claim, cancel the contract or avoid the contract from its beginning in accordance with the provisions of the *Insurance Contract Act 1984* if you fail to comply with your duty of disclosure, or if any non-disclosure is fraudulent.

Claims Made

This is a "claims made" policy of insurance, which means that it only covers claims made against an insured and notified to Underwriters during the period of insurance. By operation of Section 40 (3) of the *Insurance Contracts Act 1984*, where the insured gives notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the contract.

Retroactive Liability

The policy may be limited by a retroactive date stated in the schedule. The policy does not provide cover in relation to any claim arising from any actual or alleged act, error, omission or conduct that occurs before the commencement of the policy, unless retroactive liability cover is extended by Underwriters.

Liability Assumed Under Agreement

Cover provided by this form of liability insurance does not cover liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

Utmost Good Faith

In accordance with Section 13 of the *Insurance Contracts Act 1984*, the policy of insurance is based on utmost good faith requiring Underwriter(s) and the proposer / insured(s) to act towards each other with the utmost good faith in respect of any matter relating to the insurance contract.

Privacy Notice

In order for Underwriters to provide you with insurance products and the processing of Claims, it is necessary to obtain personal information from you. Underwriters are bound by the provisions of the *National Privacy Principles* as set out in the *Privacy Act (Cwlth) 1988*.

You may elect not to provide Underwriters with this information; however, this may prevent Underwriters from providing you with the products or services sought.

Underwriters may disclose this information to other insurers, re-insurers, an insurance reference service, or other advisers used by Underwriters such as loss adjusters, lawyers or others who may be engaged to assist in Claims handling. These third parties will all be contractually required to adhere to Underwriters privacy obligations.

Should you require access to your personal information, Underwriters may be contacted on (02) 8920 2307.

A. INFORMATION ABOUT THE COMPANY

1.	Company name:	
2.	Address:	
3.	Nature of business:	
4.	Country or State of registration:	
5.	Web-site address:	
6.	If the Company stated in (a) is a subsidiary of another company, please state the name and address of the ultimate Holding Company:	
7.	Date since the Company has continuously carried on business:	
8.	Provide a complete list of all Subsidiary Companies to be covered hereunder (unless shown in the latest annual report and financial statements attached to this proposal): <input type="checkbox"/> <i>More than 4 Subsidiary Companies (Please attach listing)</i>	
	Subsidiary Company	(a) Country of Registration
		% owned by Company

B. OUTSIDE DIRECTORSHIPS

9.	Is cover required under this policy for Directors or Officers of the Company or of its subsidiary companies whilst holding Directorships in any other companies?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please complete Appendix 1:</i> <input type="checkbox"/>
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C. OWNERSHIP

10.	How many shareholders does the Company have?	
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11.	Are there any shareholders who own 10% or more of the issued shares?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please detail the shareholders and percentages owned:</i>
12.	Total number of shares held by Directors and Officers (both directly and beneficially):	

D. AFSL LICENCE

13.	Is the Fund Manger authorised under any Governmental Act or statutory directive to conduct Managed Investment activities in Australia or elsewhere?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide licence number:</i>
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E. USA/CANADA

14.	Does the Proposer have any assets or employees in the USA/ Canada?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
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F. CHANGES AT THE COMPANY

During the past 36 months has:		
15.	Any acquisitions or disposals involving the Company taken place?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
16.	The Company merged with any other entity?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
17.	The Company changed its capital structure?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
18.	Has the Company, within the past 18 months, filed any registration statement for a public offering?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
19.	Has the Company, within the past 18 months, issued any shares (common or otherwise)?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

G. 8. FUTURE CHANGES

Is the Company:

20.	Considering any offering or share issue in the next 12 months?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
21.	Currently considering any acquisition, tender offer or merger?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
22.	Aware of any proposal relating to its acquisition by another company?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
23.	Intending a new public offering of securities within the next 12 months?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

H. COMPLIANCE / AUDIT

Has the Company:		
24.	Does the Proposer have a Compliance Committee with majority external members?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please confirm why not:</i> <i>If Yes, please confirm the names of the independent members:</i>
25.	State the firm that audits the Compliance plan:	
26.	State the firm that audits:	
(a)	The Fund	
(b)	The Compliance Plans	
(c)	The Fund Manager	
27.	Does the Proposer have an Internal audit department?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, what is the frequency of the audit?</i>
28.	Are audits undertaken on a surprise basis?	<input type="checkbox"/> No <input type="checkbox"/> Yes
29.	Are all recommendations from both internal and external audits implemented?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide further details:</i>
30.	Briefly describe the role of the Compliance function in identifying any breach of investment mandate:	

I. FEE INCOME

Please confirm:

31.	Total fee income for the past three years from Investment Management activities.	As at:	AUD \$:	
		As at:	AUD \$:	
		As at:	AUD \$:	
32.	Any other income for the past three years (please confirm source, ie interest income)	As at:	AUD \$:	Source:
		As at:	AUD \$:	Source:
		As at:	AUD \$:	Source:

J. INTERNAL PROCEDURES

33.	Does the Proposer have procedures for Investment decisions and executing when a portfolio manager is not available?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>Please provide details:</i>
34.	Does the Proposer when recruiting to positions of trust undertake independent checks of their employment history?	<input type="checkbox"/> No <input type="checkbox"/> Yes
35.	Are new employees subject to a credit and/or background check prior to hiring?	<input type="checkbox"/> No <input type="checkbox"/> Yes
36.	Are Custodian duties outsourced?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

K. FUND/S

Please complete Appendix 2: <input type="checkbox"/>		
37.	Does any investor hold greater than 10% of the total Fund Assets?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
38.	Are any Investors in the funds domiciled in the USA/Canada?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details and percentages:</i>
39.	Has any fund had a drop in the NAV during any given 12 months exceeding 25% of its original NAV?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
40.	Have there been any changes or modifications in the investment restrictions or limitations of any fund within the past three years?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
41.	Has any fund for which cover is required been subject to a regulatory review?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

L. LEGAL

42.	State the name and address of Lawyers' routinely acting for the Proposer:	
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M. ELECTRONIC SECURITY

43.	Does the Proposer have a full disaster recovery plan?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, how frequently is this tested?</i>
44.	Has it been reviewed and approved by the regulatory authorities/external auditors?	<input type="checkbox"/> No <input type="checkbox"/> Yes
45.	Does the Proposer undertake Stress Testing of systems?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please answer (a)-(b) below:</i>
(a)	How frequently?	
(b)	Are such tests utilised after all significant changes to the Proposer's systems?	<input type="checkbox"/> No <input type="checkbox"/> Yes

N. INVESTMENT MANAGERS INSURANCE

46.	Has Professional Indemnity, Directors and Officers Liability or Crime/Fidelity Insurance been carried during the past 3 years?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please complete table below:</i>		
		PI	D&O	Crime
(a)	The name of the Insurers:			
(b)	The period of the policy:			
(c)	The Indemnity Limit:			
47.	As far as is known, have the Proposers ever been refused this type of insurance or had a similar insurance cancelled?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>		

O. CLAIMS / LOSS DETAILS

48.	If a similar insurance to that now proposed had been or were now in effect would any claim which has been made or which is now pending against any persons proposed for insurance have fallen within the scope of such insurance?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
49.	Has the company ever been the subject of an investigation by a Regulatory body?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
50.	Is any person proposed for insurance aware, AFTER ENQUIRY, of any circumstances or incident which he/she has reason to suppose might afford grounds for any future claim such as would fall within the scope of the proposed insurance?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

P. PROPOSED INSURANCE

51.	Aggregate Indemnity Limit required, please indicate:	<input type="checkbox"/> \$1,000,000 <input type="checkbox"/> \$2,000,000 <input type="checkbox"/> \$5,000,000 <input type="checkbox"/> \$10,000,000 <input type="checkbox"/> Other, please state:
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Q. STAMP DUTY SPLIT

52.	For the purpose of calculating Stamp Duty please confirm the number of employees in the relevant State of Australia:								
	NSW	VIC	QLD	SA	WA	TAS	ACT	NT	Overseas

R. DECLARATION

<p>We declare that the above answers, statements, particulars and additional information are true to the very best of the knowledge and belief of the Proposer. After full enquiry, We also confirm that We have disclosed all information and material facts that may alter the Underwriters' view of the risk, or affect their assessment of the exposures they are covering under the policy. We understand that all answers, statements, particulars and additional information supplied with this proposal form</p>
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will become part of and form the basis of the policy.

I/We acknowledge that we have read and understood the content of the Important Notice contained in this proposal.

This proposal must be signed by a senior owner, Partner, Officer or Director of the company and at least one other Officer authorised to sign on behalf of the company.

Name:	Date:
Signed:	
Capacity:	
Company:	

Name:	Date:
Signed:	
Capacity:	
Company:	

APPENDIX 1 – OUTSIDE DIRECTORSHIPS

Name of Outside Entity		Country of Incorporation	Name/s of Director Involved	Activity	Does the outside entity currently carry D&O Insurance?	a) Who is the Insurer? b) What is the limit of indemnity? c) What is the relevant Policy Number?
1.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
2.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
3.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
4.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
5.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
6.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
7.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)

APPENDIX 2 – SCHEDULE OF FUNDS

Fund Name	Date Established	Asset Size	Nature of Fund Assets	Wholesale / Retail	Listed / Unlisted	Current Level	Gearing	Minimum Investment Required	Average Investment Received
1.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				
2.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				
3.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				
4.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				
5.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				
6.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				
7.				<input type="checkbox"/> Wholesale <input type="checkbox"/> Retail	<input type="checkbox"/> Listed <input type="checkbox"/> Unlisted				

