



FinTech Insurance

PROPOSAL FORM

Included in this Proposal:

- ☐ Proposal Form (Pg 1 – 15)

Addendums to complete if applicable:

- ☐ Finance Lending Addendum (Pg 16 – 20)
- ☐ Payment & Remittance Service Provider Addendum (Pg 21 – 23)
- ☐ Stock Brokers Addendum (Pg 24 – 27)
- ☐ InsurTech Addendum (Pg 28 – 30)
- ☐ Roboadvice Addendum (Pg 31 – 33)

libertyspecialtymarkets.com.hk



Liberty
Specialty Markets



CLAIMS MADE INSURANCE

This is a proposal for a 'Claims Made' policy of insurance. This means that the policy covers you for any claims made against you and notified to the insurer during the policy period. The policy does not provide cover in relation to:

- acts, errors or omissions that occurred prior to the retroactive date (if one is specified) in the policy;
- any claim made, threatened or intimated against you prior to the commencement of the policy period;
- any claim or fact that might give rise to a claim, reported or which can be reported to an insurer under any insurance policy entered into before the commencement of the policy period;
- any claim or fact that might give rise to a claim, noted in this proposal or any previous proposal;
- any claim arising out of any fact you are aware of before the commencement of the policy period;
- any claim made against you after the expiry of the policy period.

However, should you become aware, and notify us in writing as soon as is reasonably practicable after first becoming aware but within the policy period, of any facts which might give rise to a claim against you, any claim which does arise out of such facts shall be deemed to have been made during the policy period, notwithstanding that the claim was made against you after the expiry of the policy period.

YOUR DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with an insurer, you have a duty to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of its business, ought to know; or
- as to which compliance with your duty is waived by the insurer.

NON DISCLOSURE

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

PRIVACY POLICY

Liberty Specialty Markets Hong Kong Limited (UBI 66395065) (Liberty) is a company incorporated and authorised to conduct insurance in Hong Kong. It is a member of the United States-based Liberty Mutual Group. Liberty's contact details are:

Address: Suites 2401-04 24/F, 1111 King's Road Tai Koo Shing, Hong Kong Phone: +852 3655 2600

Liberty is bound by the Personal Data (Privacy) Ordinance (Cap. 486) and its associated Data Protection Principles when it collects and handles your personal data.

Liberty collects personal data, including from insurance brokers, in order to provide its services and products, manage claims and for purposes ancillary to its business. Liberty passes it to third parties involved in this process such as Liberty's related companies, reinsurers, agents, loss adjusters and other service providers. We may store your information with third party cloud or other types of networked or electronic storage providers. Third parties may be located locally or overseas in the United States, Canada, United Kingdom, Singapore, Australia and Malaysia. Your information may be transferred to countries without comparable data protection laws if it is reasonably necessary to provide you with the products or services you seek from Liberty. If you do not provide the personal data Liberty or other relevant third parties require to offer you specific products or services, Liberty may not be able to provide the appropriate type or level of service.

If you wish to gain access to or correct your personal data, make a personal data complaint, or if you have any query about how Liberty collects or handles your personal data please write to Liberty's Privacy Officer at the address above or by emailing: privacy.officer.ap@libertyglobalgroup.com. To obtain a copy of Liberty's Privacy Policy go to Liberty's website (www.libertyspecialtymarkets.com.hk) or request a copy from Liberty's Privacy Officer.

When you give Liberty personal or sensitive information about other individuals, Liberty relies on you to provide its Privacy Notice to them. If you have not done this, you must tell Liberty before you provide the relevant data

FinTech Insurance

Important: Please answer all questions fully. All questions will be deemed to be answered in respect of all entities & persons to be insured under this policy. If the space provided is insufficient please include attachments on your company letterhead.

DETAILS OF THE PROPOSER

1. Please state the full name of all entities (including any subsidiaries) (collectively referred to in this form as the "Proposers").

2. Address of the principal office (please provide a street address only)

3. Company details:

Country of registration

Date or year established

Website address

4. **Attach** the CV of each partner or director.

5. Describe in detail the nature of the business and professional services performed by the Proposers.

FinTech Insurance

Please Note: Please complete the applicable **attached** addendum if any activities relate to Finance Lending, Payment & Remittance Services, Stock Broking, InsurTech or Robo advice.

6. Please list any current memberships of professional associations held by the Proposers.

7. Do the Proposers engage any contractor, sub-contractor, agent or service provider to provide any professional services? Yes ☐ No ☐

If "Yes",

- a) What percentage of professional services is provided by any contractor, sub-contractor, agent or service provider? _____ %

- b) Specify professional services contracted or sub-contracted.

- c) Is proof of current professional indemnity insurance obtained from contractors, sub-contractors, agents or service providers? Yes ☐ No ☐

8. Have the Proposers ever been involved in any form of joint venture? Yes ☐ No ☐

If "Yes", please provide details.

9. During the last 3 years, has there been:

- a) Any acquisition or merger involving the Proposers? Yes No
- b) Any change in capital structure of the Proposers? Yes ☐ No
- c) Any change in the name of the Proposers? Yes ☐ No ☐
- d) Any substantial change in the business or professional activities of the Proposers? Yes No

10. Are the Proposers licensed by any regulatory authority or operating under any licensing exemption? Yes No

If "Yes", please list the regulatory authority and provide details of any applicable exemption.

FinTech Insurance

11. Are the Proposers:

- a) A Private Company? Yes ☐ No ☐
- b) A Public Company? Yes ☐ No ☐
- c) Listed on any Stock Exchange? Yes ☐ No ☐

If "Yes", please list the Stock Exchange.

- d) Are the Proposers' shares traded in any other way? Yes ☐ No ☐

If "Yes", please provide details.

12. Please list the shareholders who control 10% or more of the issued shares of the Proposers and the percentage shares held.

		%
		%
		%
		%
		%

13. Do the Proposers require cover for any Outside Directorships? Yes ☐ No ☐

If "Yes", please complete Schedule A **attached**.

FEE INCOME

14. Please list the actual & estimated fee income:

Please specify the currency of below numbers:

Location	Last Completed Financial Year (FY)	Current Financial Year Forecast (FY)	Next Financial Year Forecast (FY)
Hong Kong	\$	\$	\$
China	\$	\$	\$
Asia (Other)	\$	\$	\$
USA & Canada	\$	\$	\$
Other (please specify)	\$	\$	\$
Total	\$	\$	\$

Please advise which countries "Other" refers to.

FinTech Insurance

15. Please advise the approximate percentage of the Proposers' fee income generated in the last completed financial year from the following activities:

Activity	% of Fee Income
Digital Bank	
Equity Crowdfunding	
Business Lending**	
Peer to Peer Lending Platform**	
Micro Investing / Personal Finance**	
Superannuation Services	
Roboadvice / Wealth Management*	
Stockbroking*	
InsurTech*	
RegTech	
Payment Processing & Remittance*	
Other	
Please specify	
Total must be	100%

* Please complete the applicable Addendum

**Please complete the Finance Lending Addendum

16. If any of the activities listed above are performed outside Hong Kong, please list the country and the services provided there:

Country	FinTech Services

Are the Proposers licensed to provide FinTech services in these countries? Yes ☐ No ☐

17. Does any one client represent 25% or more of the Proposers' fee income? Yes ☐ No ☐

If "Yes", please provide details.

RISK MANAGEMENT, COMPLIANCE AND AUDIT FUNCTIONS

18. Are standard forms of contract or terms of engagement always used by the Proposers?

Yes ☐No ☐

If "Yes", please **attach** copies of those contracts and describe the procedure to alter such standard form of contract or terms of engagement.

If "No", please provide details of the basis of engagement used by the Proposers.

19. Are the scope of professional services to be performed always clearly set out in the contract or terms of engagement?

Yes ☐No ☐

If "No", how is this agreed?

20. Do you obtain and record either verbal or written confirmation using either a phone number or e-mail address already held on file, to authenticate changes to bank accounts or personal details requested by:

(i) Clients?

Yes ☐No ☐

(ii) Third party vendors or suppliers?

Yes ☐No ☐

If "No" to any of the above, please provide an explanation.

If instead this responsibility to authenticate changes to bank accounts or personal details has been contractually outsourced to an external party such as an administrator or custodian bank, please provide details such as who this contracting party is and what additional controls you have with authenticating such changes.

FinTech Insurance

21. a) Do you obtain and record either verbal or written confirmation using either a phone number or e-mail address already held on file, to authenticate each financial transfer instruction requested by:

- | | | |
|--|------------------------------|-----------------------------|
| (i) Clients? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (ii) Third party vendors or suppliers? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If "No" to any of the above, please provide an explanation.

If instead this responsibility to authenticate financial transfer instructions has been contractually outsourced to an external party such as an administrator or custodian bank, please provide details such as who this contracting party is and what additional controls you have with authenticating such changes.

b) If such confirmation is not obtained for all financial transfers, is this undertaken for transfers over a specific amount? Yes ☐ No ☐

If "Yes" please advise the amount. \$ _____

22. Is there an independent validation undertaken by another member of staff (not originating the change instruction) for:

- | | | |
|--|------------------------------|-----------------------------|
| (i) Changes to bank account or personal details? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (ii) Financial transfer instructions? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If "No" to any of the above, please provide an explanation.

23. Please detail any additional controls you may have with regards to managing exposure to social engineering fraud.

FinTech Insurance

24. Describe by **attachment** the formal procedures in place relating to the following:

- a) Risk management, quality control and / or compliance programmes.
- b) The engagement of consultants, sub-contractors or agents, including any circumstances where the Proposers would limit such parties' liabilities.

If such procedures are not in place, please advise how these exposures are managed.

INTERNAL CONTROL

25. Do the Proposers segregate the following duties so that no one employee is permitted to control any transaction from commencement to completion?

- | | | |
|---|------------------------------|-----------------------------|
| a) Signing cheques or authorising payments of any nature above \$20,000 | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b) Issuing or amending funds transfer instructions | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| c) Opening new bank accounts | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If "No" to any of the above, please provide details.

26. Please advise the maximum value of any one fund transfer: \$ _____

27. Please advise the security measures in place for funds transfers such as call-back or other authentication procedures.

FinTech Insurance

28. Are systems in place to detect unauthorised changes to transactions or unusual transactions?

Yes ☐ No ☐

If "No" please provide details.

INTELLECTUAL PROPERTY CLEARANCES, DISASTER RECOVERY & SECURITY MANAGEMENT

29. Please complete the following in relation to the current software and any new software or IT products to be released:

- a) Is legal advice from a specialist who is familiar with intellectual property law sought prior to releasing such software or product?

Yes ☐ No ☐

If "Yes", please provide the following details of the specialist.

Name: _____

Address: _____

If "No", please provide details on how this is managed.

- b) Is in-house legal counsel used for due diligence and clearance of new software or products?

Yes ☐ No ☐

If "Yes", please **attach** the due diligence checklist for intellectual property clearances.

30. Do the Proposers have a documented Disaster Recovery Plan in place and is it tested at least annually?

Yes ☐ No ☐

31. How often is server data backed-up?

32. Are back-ups stored off site?

Yes ☐ No ☐

33. Do the Proposers have a formalised network and physical security policy and is it tested at least annually?

Yes ☐ No ☐

FinTech Insurance

34. Are all security threats and incidents logged and investigated? Yes ☐ No ☐

35. Are all network and systems monitored? Yes ☐ No ☐

36. How are the Proposers advised of new network or systems vulnerabilities?

37. Do the Proposers have a formal patch management process in place? Yes ☐ No ☐

38. Please summarise the encryption, firewalls, virus protection, security protocols and intrusion detection used to protect the data stored on the Proposers' networks and servers:

39. Have the Proposers ever experienced a security breach? Yes ☐ No ☐

If "Yes", what was the breach and what action have the Proposers taken to prevent it from occurring again?

40. Are background checks including credit checks and criminal histories undertaken for any personnel who are involved in the Proposers' security management? Yes ☐ No ☐

41. Do all employees, contractors and subcontractors receive network and physical security training? Yes ☐ No ☐

42. Do employee termination procedures include immediate revocation of all access to systems, facilities and networks? Yes ☐ No ☐

43. Do the Proposers have a systems security policy manual? Yes ☐ No ☐

FinTech Insurance

44. Are all employees provided with the physical security policy manual and required to provide written confirmation that they have read and understood the contents? Yes ☐ No ☐
45. Do the Proposers provide any warranties that their network is secure? Yes ☐ No ☐
46. Do the Proposers limit their liability in contracts for any breaches of their security? Yes ☐ No ☐

CLAIMS HISTORY

Please Note: It is critical that you make appropriate enquires of all persons and entities intending to be insured under this insurance before answering Questions 47 – 53.

47. Has any partner or director of the Proposers had any fine or penalty imposed or ever been subject to any disciplinary proceedings or any regulatory or official inquiry? Yes ☐ No ☐

If "Yes", please provide details.

48. Has a professional liability claim, a directors & officers liability claim, a securities claim, a general liability claim or a products liability claim ever been made against, or a claim for a crime loss ever been made by or against, the Proposers (or any previous company name used by the Proposers), or any past or present partners, directors or employees of the Proposers? Yes ☐ No ☐

If "Yes", please provide details including nature of the allegations, claimant, current status, reserve amounts, loss or amounts paid.

FinTech Insurance

49. Are the Proposers including any of their partners, directors or employees aware of any facts which might give rise to a professional liability claim, a directors & officers liability claim, a general liability claim, a products liability claim or a crime loss?

Yes ☐No ☐

If "Yes", please provide details.

50. Have any special terms or conditions ever been imposed on any insurance policy held by the Proposers?

Yes ☐

If "Yes", please provide details.

51. Have the Proposers ever had any entitlement to indemnity under any insurance policy denied, or otherwise affected due to non-disclosure, misrepresentation or breach of a policy provision?

Yes ☐No ☐

If "Yes", please provide details.

52. Has any insurer ever refused to provide terms or offer renewal terms to the Proposers or has any insurance held by the Proposers ever been avoided or cancelled by an insurer?

Yes ☐No ☐

If "Yes", please provide details.

FinTech Insurance

53. Do the Proposers currently hold any similar professional liability, directors & officers liability, general & products liability or crime insurance? Yes ☐ No ☐

If "Yes", please advise the following:

Insurer _____
 Expiry Date _____
 Sum Insured _____
 Excess _____

LIMIT OF LIABILITY

- | | |
|--|--|
| <p>54. Limit of Liability sought:</p> <p>a) \$ _____</p> <p>b) \$ _____</p> <p>c) \$ _____</p> | <p>55. Excess sought:</p> <p>a) \$ _____</p> <p>b) \$ _____</p> <p>c) \$ _____</p> |
|--|--|

PROFESSIONAL LIABILITY OPTIONAL EXTENSIONS

Please Note: If you request any of these extensions, Liberty is not obliged to offer them. If Liberty decides to offer any of these extensions it may charge an additional premium. The below are descriptions of the cover only. To fully understand the cover provided by these extensions you must read the relevant clause in the policy wording and/or seek advice from your insurance adviser.

56. **Cyber**
- Would you like the policy to be extended to provide cover for cyber liability, fines and penalties imposed due to privacy breaches, privacy regulatory expenses and mandatory notification costs incurred in respect of privacy breaches (all arising from the performance of professional services) and cyber extortion? Yes ☐ No ☐
- If "Yes", please answer the following questions:
- | | |
|---|---|
| <p>a) Do the Proposers enforce a software update process with the installation of software patches?</p> <p>b) Are critical patches prioritised and installed with immediate effect?</p> <p>c) Do the Proposers encrypt all sensitive and confidential data stored on laptop computers and portable media devices?</p> | <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p> |
|---|---|

If "No" to any of the above, please provide an explanation.

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- d) Are the Proposers aware of any release, loss or disclosure of personally identifiable or confidential information in their care, custody or control, or anyone holding such information on behalf of the Proposers in the last three years? Yes ☐ No ☐
- e) Are the Proposers aware of any systems related problem, extortion threat, or network outage, which is likely to lead to suffering a loss or claim that would be covered by this insurance? Yes ☐ No ☐

If "Yes" to d) or e) please **attach** details on a separate attachment.

DIRECTORS & OFFICERS LIABILITY OPTIONAL EXTENSIONS

57. Employment Practices Liability

Would you like the policy to be extended to provide cover for claims made against the Proposers for employment related claims? Yes ☐ No ☐

If "Yes", please answer the following questions:

- a) Do the Proposers have written employment procedures (e.g. employee handbooks) that are available to each employee? Yes ☐ No ☐
- b) Please list the number of retrenchments that have occurred over the last 12 months and please advise if any are expected over the next 12 months.

DECLARATION

(To be signed by the chairperson and an executive officer.)

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed _____

Print Name _____

Title _____ Chairperson _____

Dated _____

Signed _____

Print Name _____

Title _____ Executive Officer _____

Dated _____

Finance Lending Addendum

1. Please provide by **attachment** CVs of key lending personnel & any investment or lending committee members.

2. From where are loan funds sourced:

- a) Shareholders? Yes ☐ No ☐
- b) Managed funds? Yes ☐ No ☐

If "Yes" to either of the above, please provide by **attachment** a copy of the PDS or similar document issued to investors.

- c) External financial institutions? Yes ☐ No ☐

If "Yes", please provide the following details:

- i) Which institutions:

- ii) The size of the facility:

- iii) The expiry date of the facility agreement:

- d) Other, please provide details.

3. Is any gearing utilised as a source of loan funds? Yes ☐ No ☐

If "Yes", please provide details.

4. Does the Proposer operate under a delegated lending authority? Yes ☐ No ☐

If "Yes", please provide by **attachment**, a copy of the agreement.

5. When was the latest audit by a third party relating to delegated lending authority breaches carried out and what were the findings of such audit?

Finance Lending Addendum

6. Have all recommendations from the audit been carried out? Yes ☐ No ☐

If "No", please provide details as to why this has not been done.

7. Please outline the loan approval process & authority levels within the organisation.

8. Is dual authorisation required on all loans? Yes ☐ No ☐

9. Please provide by **attachment** a copy of the Proposers' Lending Manual and advise the following:

a) Maximum LVR _____ %

b) Average LVR _____ %

c) Maximum loan amount \$ _____

d) Average loan amount \$ _____

10. In relation to the Loan Property Valuation policy, please advise:

a) Who performs the property valuations?

b) Do the Proposers have an external panel of valuers? Yes ☐ No ☐

c) Do the Proposers require valuations to be less than three months old? Yes ☐ No ☐

If "No", please specify the age threshold required?

d) Do the Proposers accept valuations which have been assigned to them? Yes ☐ No ☐

e) Do the Proposers accept Kerbside or Restricted Access Valuations? Yes ☐ No ☐

Finance Lending Addendum

11. Is mortgage insurance always purchased above a set LVR? Yes ☐ No ☐

12. Please provide a breakdown of loans by type:

a) Residential	%
b) Commercial	%
c) Industrial	%
d) Land only	%
e) Construction	%
f) Personal	%
g) Business	%
h) Equipment	%
i) Micro Finance	%
j) Receivables / Supply Chain / Invoice Financing	%

13. Please provide a breakdown on the type of loans provided:

a) First mortgage	%
b) Second mortgage / mezzanine	%
c) Bridging finance	%
d) No deposit	%
e) Low doc	%
f) Unsecured	%
g) Secured	%

14. Please provide a breakdown on the location of the loan portfolio:

Hong Kong	%	United States/Canada	%
Other Asia	%	Australia/New Zealand	%
Other (please specify)	%	Total must be	100%

Finance Lending Addendum

15. Please provide a breakdown on when loans are due:

a) < 30 days	%
b) Within 6 months	%
c) Within 12 months	%
d) 12-24 months	%
e) 2-5 years	%
f) > 5 years	%
Total must be	100%

16. What percentage of loans are in arrears? _____ %

17. Please outline the process in place for dealing with arrears.

18. What audit & review processes are in place on loans approved?

19. What are the processes & controls around transfer of loan funds?

DECLARATION

(To be signed by the chairperson and an executive officer.)

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

Payment & Remittance Service Provider Addendum

1. Please provide details on type of industries the Proposers' customers are operating in:

2. Please advise the following for underlying transactions:

- a) Average value \$
- b) Maximum value \$
- c) Number of transactions per year

3. Is the Proposer PCI Compliant? Yes ☐ No ☐

If "No", please provide details.

4. Do the Proposers have appropriate processes in place to ensure they are not dealing with individuals or entities who are the subject of economic or various trade sanctions laws or regulations? Yes ☐ No ☐

5. What processes do the Proposers have in place to comply with anti-money laundering legislation in various jurisdictions where payments are received or directed?

6. Please outline the Proposers' risk management controls with respect to fraud detection and management of fraudulent claims.

7. Please provide details on the testing and development history of the payment systems software.

Payment & Remittance Service Provider Addendum

8. Do the Proposers agree to service level agreements with respect to the payment system being operational for a set time?

Yes ☐No ☐

If "Yes", please provide details.

9. Please describe the verification process to ensure money reaches the right recipients.

10. Is the money of the Proposers' customers held in a segregated account with an Authorised Deposit Taking Institution?

Yes ☐No ☐

DECLARATION

(To be signed by the chairperson and an executive officer.)

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title _____ Chairperson _____

Dated

Signed

Print Name

Title _____ Executive Officer _____

Dated

Stock Brokers Addendum

1. Please advise percentage split of activities:

Advisory	%
Discretionary Management	%
Execution Only	%
Total must be	100%

APPOINTED REPRESENTATIVES

2. a) Please advise the number of appointed representatives. _____

- b) Do the Proposers plan to increase this number in the next 12 months? Yes ☐ No ☐

If "Yes", by how many?

- c) Are the appointed representatives the Proposers' employees or independent contractors?

- d) Are appointed representatives to be insured under this policy? Yes ☐ No ☐

If "No", how do the Proposers check that each appointed representative has a current Professional Indemnity policy?

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3. Do the Proposers engage in stock lending activities? Yes ☐ No ☐

4. If acting as an underwriter do the Proposers sell stock held on their own account to clients? Yes ☐ No ☐

- If "Yes", do the Proposers always disclose this position to their clients? Yes ☐ No ☐

5. What percentage of the Proposers' client base are:

Retail clients	%
High net worth individuals	%
Self managed superannuation funds	%
Other – please specify	%
Total must be	100%

MARGIN LENDING

6. Do the Proposers give advice on margin lending? Yes ☐ No ☐
7. What percentage of the Proposers' client base uses this strategy? _____ %
8. What is the maximum LVR used? _____
9. Do the Proposers always provide written advice disclosing the risks of this strategy? Yes ☐ No ☐
10. Do the Proposers offer taxation advice regarding margin lending? Yes ☐ No ☐
11. Do the Proposers have a margin lending facility? Yes ☐ No ☐
 If "Yes", is this done via a facility with another financial institution or are the Proposers the principal lender?

12. Does the investor retain beneficial ownership of the stock purchased? Yes ☐ No ☐
 If "No", is this specifically highlighted to the investor at the time the contract is entered into? Yes ☐ No ☐

MANAGED DISCRETIONARY ACCOUNTS

13. Do the Proposers operate any managed discretionary accounts? Yes ☐ No ☐
 If "Yes", how many and what is the amount of funds under management or advice?

14. How do the Proposers ensure that the mandates for these accounts are not breached?

Stock Brokers Addendum

15. Do the Proposers obtain external advice regarding stock selection?

Yes ☐

No ☐

If "Yes", please provide details.

AVERAGE TRADING

16. What was the average trade over the past 12 months?

\$ _____

17. What was the annual trade volume over the past 12 months?

\$ _____

COMPLIANCE MANAGEMENT

18. How many staff are in the compliance department?

19. Are random audits conducted?

Yes ☐

No ☐

If "Yes", how often?

20. Are trading transactions and positions reviewed daily for compliance with trading policies?

Yes ☐

No ☐

21. Is there a system in place which will identify trades which exceed set limits?

Yes ☐

No ☐

a) If "Yes", is this monitored on a daily basis?

Yes ☐

No ☐

b) If "No", how is this exposure managed?

DECLARATION

(To be signed by the chairperson and an executive officer.)

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

InsurTech Addendum

1. Who is the security used by the Proposers' underwriting agency?

2. Do the Proposers have a current written agency agreement in place? Yes ☐ No ☐

If "Yes":

- a) When was it last renewed?

- b) When does it expire?

3. Are underwriting audits carried out annually by the Proposers' security or an external party on their behalf? Yes ☐ No ☐

- a) When was the last such audit conducted (dd/mm/yyyy)?

- b) Were any breaches of the underwriting agreement found? Yes ☐ No ☐

If "Yes", please provide details.

- c) Have all recommendations from the audit been implemented? Yes ☐ No ☐

If "No", please provide details as to why this has not been done.

4. Do the Proposers have claims settlement authority? Yes ☐ No ☐

If "Yes", are claims conducted in-house or outsourced?

- a) What is the maximum amount of the authority? \$

- b) Are two people required to sign off on any claims settlement? Yes ☐ No ☐

- c) Are claims audits carried out annually by the Proposers' security or an external party on their behalf? Yes ☐ No ☐

- d) When was the last such audit conducted (dd/mm/yyyy)?

- e) Did the audit find any breaches had occurred? Yes ☐ No ☐

- f) Have all recommendations of the audit been implemented? Yes ☐ No ☐

If "No", please provide details as to why this has not been done.

InsurTech Addendum

5. Is underwriting or claims settlement authority ever delegated to another person within the agency or to a third party without the written approval of the Proposers' security provider? Yes ☐ No ☐

6. Please advise systems in place which prevent or highlight any breach of underwriting or claims authority.

7. How often are reports detailing risks written and claims settled provided to the security providers?

DECLARATION

(To be signed by the chairperson and an executive officer.)

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed _____

Print Name _____

Title _____ Chairperson _____

Dated _____

Signed _____

Print Name _____

Title _____ Executive Officer _____

Dated _____

Roboadvice Addendum

1. Please advise total funds under advice:

- a) Last 12 months? \$ _____
- b) Forecast for the next 12 months? \$ _____

2. Please advise allocation of revenue to the following with approximate percentage:

a) Non-discretionary Account Services	%
b) Managed Discretionary Account Services	%
c) Life Insurance	%
d) Personal and General Insurance	%
e) Mortgage Broking	%
f) Finance Broking	%
g) Tax Advice	%
Total must be	100%

3. Please advise allocation of client investments:

Investment	Client Investment	Percentage
a) Domestic Equities	\$	%
b) Global Equities	\$	%
c) Fixed Income - Domestic	\$	%
d) Fixed Income - Global	\$	%
e) Funds of Funds	\$	%
f) Hedge Funds	\$	%
g) Mortgage Funds	\$	%
h) Property Trust	\$	%
i) Derivatives	\$	%
j) Private Equity	\$	%
k) Venture Capital	\$	%
l) Real Property	\$	%
m) Other	\$	%
Please specify		
Total Funds under Advice/Management	\$	100%

Roboadvice Addendum

4. With respect to your Approved Products List please provide details of your selection criteria for underlying investments.

5. Has the Approved Product List changed from previous years? Yes ☐ No ☐

If "Yes", please provide details.

6. If a product or investment is removed from the Approved Product List how is this communicated?

7. How often do you monitor and test algorithms that underpin the advice?

8. What processes do the Proposers have in place to manage any changes to algorithms?

9. What controls and processes do the Proposers have in place to suspend advice if an error within an algorithm is detected?

10. What compliance arrangements do the Proposers have in place to monitor and test quality of digital advice provided to clients?

DECLARATION

I, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Chairperson

Dated

Signed

Print Name

Title

Executive Officer

Dated

Schedule A – Outside Directorships

Name of Outside Entity	Share capital % owned by the Company	Country of incorporation	Is the outside entity listed on any stock exchange? (Yes/No)	If Yes, which stock exchange?	Does the outside entity provide an indemnity for the outside director(s)?	If the outside entity has current D&O insurance, please state policy limit, insurer and period of insurance