



**PROPOSAL FOR LLOYD'S
FINANCIAL INSTITUTIONS
PROFESSIONAL INDEMNITY POLICY**

FOR USE WITH LLOYD'S POLICY NMA 2273 ONLY

- A. Answer all questions leaving no blank spaces.
- B. If you have insufficient space to complete any of your answers, continue on your headed paper.
- C. This form must be dated and is to be signed by two Directors of the Proposer.
- D. Please attach last Annual Statement and Report and any Interim Report issued since.
- E. It is the intention of Underwriters that any contract of insurance with the Proposer shall be based upon the answers and information provided in this Proposal Form and any other additional information provided by the Proposer. If a quotation is offered it will be the intention of Underwriters to offer coverage only in respect of those entities named in answer to question 1.



SECTION A PARTICULARS OF PROPOSER

- 1 State the name and address of the Proposer, the date of establishment and the financial services provided. Also list all subsidiaries for which cover is requested, indicating the locations, date of establishment and financial services provided by each company.

Propose

r:

Address:

Date Established:

Description of Financial Services Provided:



Name of Subsidiary Location(s) Date Established Financial Services

2 a) Has the Proposer been acquired by another entity, merged or acquired any other business during the last 5 years? If so, give details.

b) Has the Proposer provided any new services to its clients during the last 3 years? If so, give details.

c) Does the Proposer intend to offer any new services to its clients during the next 12 months? If so, give details.

3 State at the dates

Gross Fee Income or Gross turnover - please specify	Past Financial Year	Current Financial Year	Estimate for coming Financial Year
European Union (inc Norway &			
USA/ Canada (including work for entities domiciled in the USA/ Canada)			
Rest of the World			
TOTAL			



Gross Fee Income or Gross turnover - please specify	Past Financial Year	Current Financial Year	Estimate for coming Financial Year
	2008	2009	2010
Largest fee you receive from any one client or group			
Average fee per client or group			
Gross fees paid to self employed persons and/ or			

31.12.2016

- i) Authorised Capital _____
- ii) Paid up Capital _____
- iii) Total Assets _____
- iv) Total Deposits _____
- v) Total Loans and
Discounts _____
- vi) Total Funds under
Discretionary Management _____
- vii) Total Profit before tax.

4 State names of all Executive and non Executive Directors, their length of service, specific responsibilities and professional qualifications:

Name:

Length of Service:

Specific Responsibilities:

Professional Qualification:



5 a) State number of Employees in following categories

- i) at Head Office
- ii) at Computer Centre
- iii) at Branches
- iv) at Subsidiaries

Total:

b) What has been the percentage turnover in the following employment categories during the last twelve months?

	Inward	Outward
Directors % (including those of subsidiaries)		%
Employees %		%

c) State the total of salaries, including commissions, paid to Directors and Employees during the last financial year:

d) Are any Directors or Employees compensated by bonus, profit commission, or similar performance related reward which is based upon their own performance or that of their department/division/subsidiary (as distinguished from the Proposer as a whole)?

If so, state in which departments/divisions/subsidiaries:



SECTION B PROPOSER'S ACTIVITIES

6 In the last financial year what approximate percentage of the Proposer's total revenues were derived from the following activities?

%

- a) Commercial Loans: Domestic
Foreign
- Interbank Loans: Domestic
Foreign
- Personal Loans:
- b) Leasing
- c) Trade Financing, Forfeiting
- d) Barter, Countertrade or Swap Operations
- e) Foreign Exchange Dealings
- t) Commodity Market Dealings
- g) Securities Dealings
- h) Mergers and Acquisitions Advice
- i) Share Placing and New Issues
- j) Fund Management
- k) Venture Capital
- l) Overseas Advisory
- m) Any Other Activity (Please Describe)



Attach an organisational chart showing responsibilities and reporting lines to the Board of Directors for each activity.



- 7 a) List each takeover or merger situation in which the Proposer acted on behalf of clients in the last twelve months, indicating by asterisk, on behalf of whom the Proposer was acting, and the values involved.

Offeror Value	Offeree	Outcome	Offer
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Total:

- b) How many flotations has the Proposer undertaken in the last twelve months?

List each indicating the share capital involved.

Company Value	Shares Placed
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- c) How many rights issues has the Proposer undertaken in the last twelve months?

List each indicating the share capital involved.

Company Value	Shares Placed
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Total:



8 Does the Proposer undertake trust activities or discretionary account management?

If so:

a) Are all clients' agreements reviewed annually?

b) Are all trust/discretionary transactions subject to the same procedures and review as the Proposer's own account transactions?

If not, please describe.

c) State: i) The number of trust/discretionary accounts.

ii) The asset value of the largest managed account.

d) How often are financial reports rendered to clients?

e) Does the Proposer have an "approved" list of securities which can be recommended to clients?



SECTION C FUNDS TRAFER / TELEPHONIC INSTRUCTIONS

- 9 a) Does the Proposer use or subscribe to any Electronic Funds Transfer Systems?

List each one.

- b) Does the Proposer use or subscribe to any Electronic Funds Transfer Systems which allow direct access by clients to the Proposer's data base?

List each one.

- c) Does the Proposer use or subscribe to any Electronic Funds Transfer Systems which allow clients to directly execute a transfer of funds?

List each one, indicating whether transfer can be made on a pre-format or free-format basis.

- 10 Does the Proposer permit the initiation of Funds Transfer by telephonic instruction from clients?

If so,

- a) Do all clients to whom this facility is available complete written agreements outlining legal responsibilities, transfer limits and call back parameters for verification?

If so, attach a copy.



- b) What are the call back parameters for verification?

 - c) Are all such instructions directed only to the Wire Transfer Room?

 - d) Are all conversations including these instructions recorded?

 - e) Is a written document produced in respect of each instruction, which is date/time stamped, logged and maintained for at least 90 days?
- 11 Describe the procedures adopted when instructions are received by telephone:
- a) Within the Commodity Department.

 - b) Concerning the purchase/sale of stock.

 - c) Within the Foreign Exchange Department.



SECTION D PROCEDURES

12 To which regulatory authorities are the Proposer, and those subsidiaries listed in the answer to question I, accountable.

13 a) State the name and address of Chartered or External Accountants.

b) State the frequency of auditing services performed by the Accountant for the Proposer.

c) Does the Auditing Firm regularly review the system of internal controls and furnish written reports?

d) Has the Auditing Firm made any recommendations in the last two audits?
If so, state recommendations and confirm that they have been adopted.
If not adopted, please give reasons for not doing so.

e) Has the Auditing Firm been changed in the last five years?

If so, give details and explain why the change was made.

Attach a copy of the most recent engagement letter from the Proposer's principal Auditing Firm.

14 a) State the name and address of Lawyers routinely acting for the Proposer.



b) Do the Lawyers supply written opinions as to the legality of any change in investment or management policy in connection with Trusteeship activities?

c) Does the Proposer have an in-house Legal Department?

If so, how many legally qualified individuals does it consist of?

What are the department's responsibilities?

Does it offer its services to customers or other Third Parties? If so, please give details.

d) Does the Proposer use a standard form of contract, agreement or Letter of appointment with regard to services performed?

Are these regularly reviewed, and if so, by whom?

e) Are all publications issued by the Proposer reviewed by the in-house Legal Department and/or outside legal advisers?

15 a) Does the Proposer have a Compliance Officer?

b) If so, state his duties and to whom he reports.

c) Attach his curriculum vitae.



SECTION E PARTICULARS OF COVERAGE

17 State details of similar insurances carried during the previous five years, if any:

a) Professional

Indemnity i) Insurers

ii) Sum

Insured iii)

Deductible

b) Directors & Officers

i) Insurers

ii) Sum Insured

iii) Deductible

c) Bankers Blanket Bond/Fidelity/In and Out

Policy. i) Insurers

ii) Sums

Insured

iv) Deductible

18 State the Limit of Indemnity requested.

USD



19 During the last five years has the Proposer received any admonishment or critical directive from any regulatory authority?

If so, give details.

20 Is the Proposer currently involved in any litigation as a defendant?

If so, give details.

21 a) Has any application made by the Proposer or its predecessors in business for Professional Indemnity Insurance ever been declined?

If so, state the reasons.

b) Has any Professional Indemnity Policy in the name of the Proposer or its predecessors in business ever been cancelled?

If so, state the reasons.

22 Has the Proposer any knowledge or information, after full enquiry, of any circumstances whatsoever which might give rise to claims being made against it, its subsidiaries or any branches to which this application applies?



23 Has any demand or claim of a type being the subject of this insurance been made against the Proposer, its subsidiaries or any branches to which this application applies during the past five years?

WE HEREBY DECLARE THAT the above statements and particulars are true and complete to the best of our knowledge and that we have not suppressed or misstated any material facts and we agree that this application shall be the basis of any contract" subsequently effected between the Proposer and the Underwriters.

Date: _____

Company: _____

Stamp: _____

Signature: _____

*1. Signing this Proposal Form does not bind the Proposer to complete this insurance.

2. If a policy is concluded it will be issued on a "CLAIMS MADE" basis i.e. to indemnify the Proposer **for claims first made against it** in the manner described in the policy **during the Policy Period.**