



PROPOSAL FORM

Investment Managers Insurance

libertyinternational.com/au



Proposal form



Important Notices

Trade Sanctions

Liberty will not be deemed to provide cover nor be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Liberty or its parent to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom, United States of America or other applicable jurisdiction.

Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984 (Cth), 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.

Subrogation

If Liberty grants indemnity under this policy, then Liberty shall be subrogated to all of the Insured's rights of recovery against any person, trustee, company or entity whether or not a payment has in fact been made and whether or not the Insured or Insured Person has been

compensated in full for their loss. The Insured must, at its own cost, provide all reasonable assistance to Liberty (including, but not limited to giving information, signing documents and giving evidence) to help enforce those rights. The Insured must not do anything that may prejudice Liberty's position or potential or actual rights of recovery against any parties.

Claims Made/DiscoveryBased Insurance

This is a proposal form for a policy which provides insurance:

- on a claims made and notified basis under Part A and Part B. This means that, other than as provided under the Insurance Contracts Act 1984 (Cth), Part A and Part B of the policy will only cover you in respect of claims which are first made against you and notified to the insurer during the policy period and any applicable reporting period; and
- on a discovery basis under Part C. This means that Part C of the policy will only cover you for direct financial loss first discovered and notified to the insurer during the policy period and any applicable reporting period.

Cover under the policy may be limited further if a retroactive date exclusion is applied by endorsement.

You should carefully read all of the policy, including all definitions and, in particular, the exclusions, to ascertain the precise scope of cover afforded by the policy. You are advised to consult your insurance agent or broker to ensure a clear understanding of your rights and obligations under the policy.

Inadequate space to answer

If there is inadequate space to answer any of the questions or make any comment or you need to disclose something to us because of your Duty of Disclosure, please attach a separate piece of paper to this proposal giving full details of additional information.

Included in this form

Proposal form (Pg 1 – 16)

Schedule to complete if applicable

Schedule A – Outside directorships (Pg 17)

Schedule B – Schedule of funds (Pg 18)

Proposal form



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

1. DETAILS OF THE PROPOSERS

a. Please state the full name of the entity to be noted as the Named Insured on the policy (all entities, their subsidiaries, and persons to be insured under this policy will henceforth be collectively referred to as the 'Proposers').

b. Describe the ownership structure of the entity to be noted as Named Insured on the policy. Is it the parent company or subsidiary of a global parent company? Please provide further details.

c. Proposers' contact details:

Name

Email

Telephone

d. Company details:

Registered company name

Address

Country of registration

Date established

ABN/NZBN

Website address

Input Tax Credit %

e. Please describe the business activities of the Proposers.

Please note: Please complete Q16 and/or Q17 in this proposal form if any activities relate to a real estate investment trust or a mortgage fund.

f. During the last three (3) years, has there been:

- | | | |
|---|-----|----|
| 1. any acquisition or merger involving the Proposers? | Yes | No |
| 2. any change in capital structure of the Proposers? | Yes | No |
| 3. any change in the name of the Proposers? | Yes | No |

If yes, to any of the above, please provide details:

Proposal form



g. Are the Proposers:

- | | | |
|----------------------------|-----|----|
| 1. a private company? | Yes | No |
| 2. a public company? | Yes | No |
| 3. listed on any exchange? | Yes | No |

If the answer to 3. above is yes, please provide details:

h. Are there any directors who hold 10% or more of the issued shares? Yes No
If yes, please list the directors and the percentage of shares held.

Name	%	Name	%
------	---	------	---

2. OVERSEAS ACTIVITIES

a. Do the Proposers:

- | | | |
|---|-----|----|
| 1. perform any services outside Australia? | Yes | No |
| 2. have any subsidiaries located outside Australia? | Yes | No |

If yes, to any of the above, please provide details:

b. Do the Proposers have any:

- | | | |
|--|-----|----|
| 1. assets or employees in the USA? | Yes | No |
| 2. fund, trust, managed investment scheme or investment mandate with investors domiciled in USA? | Yes | No |
| 3. fund, trust, managed investment scheme or investment mandate with assets or investments in the USA? | Yes | No |
| 4. licensing or registration requirements in USA? | Yes | No |

If yes, to any of the above, please provide details:

Proposal form



3. LICENSING

a. Please state the Proposers' Australian Financial Services Licence (AFSL)/ Australian Credit Licence (ACL) number.

b. Have the Proposers:

- | | | |
|--|-----|----|
| 1. ever had their AFSL/ACL suspended or cancelled? | Yes | No |
| 2. varied their AFSL/ACL in the last 12 months? | Yes | No |

If yes, to any of the above, please provide details:

c. Do the Proposers have any authorised or sub-authorised representatives appointed under their AFSL/ACL? Yes No

If yes, please list the names of all authorised and sub-authorised representatives and describe their relationship to the Proposer (for example; employee, related entity or independent contractor).

d. Provide details of any delay or failure to submit financial reports/statements to any regulator as required by the Corporations Act 2001 (Cth) or any other applicable legislation.

4. FEE INCOME

a. Please list the actual and estimated fee income from the following:

Professional services	Last completed financial year	Current financial year forecast	Next financial year forecast
Fund management	\$	\$	\$
Trustee/Responsible entity services	\$	\$	\$
Corporate advisory	\$	\$	\$
Property management	\$	\$	\$
Performance fee	\$	\$	\$
Other	\$	\$	\$
Total	\$	\$	\$

If other, please provide details:

5. PARTICULARS OF FUNDS

a. Please complete Schedule B **attached** and attach the following:

Information memorandum or product disclosure statements for all funds (including past funds), trusts, managed investment schemes, investment vehicle or investment mandates to be insured.

Latest annual report of the fund manager, including audited financial statements.

ASIC A5 Business Description and B1 Organisation Competence documents.

Curriculum Vitae of key personnel, responsible manager and compliance committee members.

Annual report for all funds (including past funds), trusts, managed investment schemes, investment vehicle or investment mandates to be insured.

Latest performance report for each fund.

A copy of the Proposers' complaints register.

GS007, compliance plan or any other third party external risk management audit report.

b. Please provide a breakdown of the total funds under management to the most appropriate category of investor:

Institutional	High net worth individuals/ family offices	Self-managed superannuation funds < \$10m in assets	Self-managed superannuation funds > \$10m in assets	Significant Investor visa	Wholesale	Retail	Total
%	%	%	%	%	%	%	%

c. Please provide a breakdown of how the funds are distributed:

Accountants	Financial planners	Wealth platforms	Listed company/ trust or Exchange Traded Fund	Other intermediary	Direct to fund manager	Total
%	%	%	%	%	%	%

d. Are any changes to distribution anticipated in the next 12 months?

Yes No

e. Please provide details on any funds that:

1. in the last five (5) years have had redemptions either suspended or frozen;
2. had any request for redemptions that are greater than 10% of the total funds under management; or
3. intend to close in the forthcoming 12 months.

6. RISK MANAGEMENT, COMPLIANCE AND AUDIT FUNCTIONS

a. Please describe how compliance is handled, including policies and procedures and list the persons responsible for this function.

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b. Do the Proposers' funds allow related party transactions? Yes No
If yes, please provide details of the corporate governance policy used to ensure this is managed appropriately.

c. Outline all changes to compliance and risk management processes that have been undertaken over the past 12 months to meet new or updated ASIC regulatory guides or legislation.

d. Please describe the procedures in place, including frequency, for reviewing disclosure documents to ensure they align with the actual offering.

e. Please describe the procedures and checks in place to avoid a breach of any investment mandate.

f. Please advise who audits the Proposers':

1. compliance plan
2. risk management procedures

Have all recommendations of these auditors been implemented? Yes No

If no, please provide details:

g. Do the Proposers have procedures in place to manage conflicts of interest? Yes No

h. Please provide details of the Proposers' professional services providers or agents:

Trustee / Responsible entity

Custodian

Administrator

Legal Stockbroker/Dealing

Asset manager

Sales agent

Other

7. CRIME

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

- | | | |
|---|-----|----|
| 1. signing cheques or authorising payments of any nature above \$20,000 | Yes | No |
| 2. issuing or amending funds transfer instructions? | Yes | No |
| 3. opening new bank accounts? | Yes | No |

If no, to any of the above, please provide details:

b. Is any independent validation undertaken by another member of staff (who is not the person originating the change instruction) for:

- | | | |
|---|-----|----|
| 1. changes to bank account or personal details? | Yes | No |
| 2. financial transfer instructions? | Yes | No |

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

c. Please advise the number of fund transfers in the past 12 months which fall within the following transaction ranges:

\$0 – \$1m	\$1m – \$5m	\$5m +
------------	-------------	--------

d. Please outline all security policies and procedures implemented in relation to funds transfers to mitigate a social engineering fraud event. Please provide a copy of relevant manual/internal procedures.

- | | | |
|--|-----|----|
| 1. Do the Proposers audit these processes to ensure they are followed? | Yes | No |
| 2. How often are these audits undertaken? | | |

e. Are all employees provided training in respect to electronic fraud risks (social engineering, phishing, email compromise, fake president and other scams)?

Yes	No
-----	----

If yes, how frequently is this training undertaken?

f. Please confirm multi-factor authentication is enforced:

- | | | |
|--|-----|----|
| 1. for remote access into the Proposers' network. | Yes | No |
| 2. for access to email remotely on a non-corporate device via a web application. | Yes | No |

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g. Outline the steps the Proposers' employees must follow to verify the identity and authenticity of instructions, including whether verification is recorded on file:

1. where an employee receives funds transfer instructions from a co-worker or manager.

2. where an employee receives funds transfer instructions from a vendor/client.

3. where an employee receives a request to change bank details.

h. Do employees always perform a call back to a phone number registered on file and record this confirmation on file?

Yes No

1. If such verification is not obtained for all financial transfers, is this obtained for transfers over a specific amount?

Yes No

2. Please advise the amount:

i. If responsibility for verification has been contractually outsourced to an external party such as a registry, administrator or custodian:

1. Please provide details of the specific contracting party and outline the controls that have been implemented by such party.

2. Please provide details of what controls are in place to ensure that external registry, administrators or custodians verify and validate instructions that have been received from the investment manager.

3. Do the Proposers audit these controls to ensure they are followed?

Yes No

4. Does the registry, administrator or custodian limit their liability in contract in relation to this exposure?

Yes No

j. Do the number of Personally Identifiable Information records held by the Proposers exceed 25,000?

Yes No

k. Do the Proposers back up their data and systems?

Yes No

1. How often do the Proposers back up data and systems? Daily Weekly Monthly Other

2. Are backups encrypted?

Yes No

3. Do the Proposers restrict access to backups with multi-factor authentication?

Yes No

4. Do the Proposers maintain a backup that is disconnected and inaccessible from the network?

Yes No

5. Do the Proposers test and verify backups on a regular basis (at least monthly)?

Yes No

8. 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 8a-8k.

a. 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
b. Have the Proposers had any breaches that would be subject to a self-report, and/or an obligation to remediate?	Yes	No
c. Have the Proposers ever been required to provide information to, or received a request for information from any regulator?	Yes	No
d. Have the Proposers or any past or present partners, directors or employees of the Proposers ever made a claim under a professional liability or directors & offices liability policy?	Yes	No
e. Have the Proposers (including any previous company names used by the Proposers) or any past or present partners, directors or employees of the Proposers ever sustained a crime loss?	Yes	No
f. 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 or crime loss?	Yes	No
g. Are the Proposers aware of any release, loss or disclosure of Personally Identifiable Information in their care, custody or control?	Yes	No
h. Have the Proposers ever been subject to regulatory action as a result of the mishandling of sensitive data?	Yes	No
i. Are the Proposers aware of any known unplanned network disruption, network breach or intrusion, or denial of service attack?	Yes	No
j. 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
k. 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, to any of the above, please provide full details, attach any support documentation and claims history.

9. LIMIT OF LIABILITY

a. Limit of liability sought:	b. Excess sought:	
1. \$	1. \$	
2. \$	2. \$	
3. \$	3. \$	
b. Do the Proposers currently hold any similar professional liability, directors & officers liability or crime insurances?	Yes	No
Insurer		
Expiry date		
Policy type		
Sum insured		
Excess		

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10. OTHER INSURANCE

- a. Please state the details of any liability insurance currently held by the Proposers:

	Insurer	Policy Number	Limit	Policy Period
Directors & Officers Liability				
Statutory Liability				
Cyber Insurance				
General Public & Products				
Employment Practices				
Other (specify)				

11. OUTSIDE DIRECTORSHIP LIABILITY

Part B of the policy provides cover for Insured persons who, at the request of the Proposers, act as a director or officer of an outside entity.

Please complete the Outside Directorships Addendum attached as Schedule A to this proposal.

12. STAMP DUTY INFORMATION

Please be aware that unless Liberty or its agents receive a small business declaration from you, in accordance with CH 8, Pt 5A of the Duties Act 1997 (NSW) at the time of entering into the contract of insurance, Liberty will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.

- a. Please provide a breakdown of employee numbers by state, including the directors, officers and committee members:

ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Overseas	Total
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13. OPTIONAL EXTENSIONS: PROFESSIONAL LIABILITY

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.

- a. **Loss mitigation and rectification**

Would you like the policy to be extended to pay for the reasonable direct costs and expenses you incur in taking action to rectify or mitigate the effects of any act, error or omissions that would otherwise result in a claim covered under the policy?

Yes No

- b. **Proportionate liability**

Would you like the policy to be extended to provide cover for liability you have assumed under a contract by reason of having contracted out of the operation of proportionate liability legislation (for example any applicable state Civil Liability Act in Australia)?

Yes No

- c. **Reinstatement**

Would you like the policy to be extended so that in the event the limit of liability is exhausted, it is then reinstated once to cover future unrelated claims under Part A of the policy?

Yes No

Statutory liability

Would you like the policy to be extended to provide cover for claims made against the Proposers for pecuniary penalties the Proposers are required to pay for contraventions of statutory civil penalty provisions and no-fault criminal offences arising from the performance of their professional services?

Yes No

If yes, have the Proposers suffered any civil fines and/or penalties in the past five (5) years?

Yes No

Please provide details:

14. OPTIONAL EXTENSIONS: DIRECTORS & OFFICERS LIABILITY

a. Company securities liability

Would you like the policy to be extended to provide cover for claims made against the Proposers by holders of the Proposers' securities?

Yes No

If yes, please answer the following questions:

1. Have there ever been, or is there now pending, any securities claims against the Proposers or any official inquiry into any matter concerning the Proposers' securities?

Yes No

If yes, please provide details:

2. Are the Proposers aware of any facts which might give rise to a securities claim being made against the Proposers or which might give rise to an official inquiry into matters concerning the Proposers' securities?

Yes No

If yes, please provide details:

b. 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 the answer to this question is yes, please answer the following questions:

1. Do the Proposers have written employment procedures (for example, employee handbooks) that are available to each employee?

Yes No

2. Please list the number of retrenchments that have occurred over the last 12 months and advise if any are expected over the next 12 months.

3. Has there ever been or is there now pending any claim against the Proposers or any of their directors or officers relating to employment?

Yes No

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- | | | |
|--|-----|----|
| 4. Are the Proposers presently subject to any judicial or administrative order, decree, judgment or conciliation agreement relating to employment? | Yes | No |
| 5. Are the Proposers or any of their directors or officers aware of any facts which might give rise to an employment practices claim? | Yes | No |

15. OPTIONAL EXTENSIONS: CRIME

- | | | |
|--|-----|----|
| a. Would you like the policy to be extended to provide cover for claims made against the Proposers for social engineering fraud? | Yes | No |
|--|-----|----|

16. REAL ESTATE INVESTMENT TRUSTS (COMPLETE IF APPLICABLE)

- | | | |
|--|-----|----|
| a. Are asset property management services performed in-house?
If no, who provides these services? | Yes | No |
|--|-----|----|

-
- b. Please provide a breakdown by property type:

- | | |
|-----------------|---|
| 1. residential | % |
| 2. commercial | % |
| 3. industrial | % |
| 4. land only | % |
| 5. construction | % |
| 6. other | % |

- c. Please provide a copy of an asset schedule for all properties which includes gearing, Weighted Average Lease Expiry, expiry dates of leases, largest tenant, Loan to Value Ratio, nature of asset and valuation (add as separate attachment).
- d. Please provide details of any lease holder who represents over 30% of revenue of the fund (include name of lessee and date of lease expiry).

-
- e. Please provide details on what the property occupancy rates are for each fund.

-
- f. Please provide details on when the properties were last valued and by whom.

-
- | | | |
|---|-----|----|
| g. Do the Proposers have any exposure to property development services? | Yes | No |
|---|-----|----|

17. MORTGAGE FUNDS AND CONSTRUCTION & DEVELOPMENT FINANCING (COMPLETE IF APPLICABLE)

a. Please outline the Proposers' loan approval process and authority levels.

b. Provide by **attachment** a copy of the Proposers' lending manual and advise the following:

1. maximum Loan to Value Ratio (LVR)	%
2. average LVR	%
3. maximum loan amount	%
4. average loan amount	%

c. In relation to the loan property valuation policy, please advise:

1. Who performs the property valuations?		
2. Do the Proposers have an external panel of valuers?	Yes	No
3. Do the Proposers require valuations to be less than three (3) months old? If no, what is the age threshold required?	Yes	No
4. Do the Proposers accept valuations which have been assigned to it?	Yes	No
5. Do the Proposers accept kerbside, desktop or restricted access valuations?	Yes	No

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

If yes, please advise the LVR:

e. Please provide a breakdown of loans by property type:

1. residential	%
2. commercial	%
3. industrial	%
4. land only	%
5. construction/property development	%

f. Are any investors funds which are raised allowed to be used for funding developments or construction for related parties of the Proposers? Yes No

g. Please provide a breakdown of the type of loans provided:

1. first mortgage	%
2. second mortgage/mezzanine	%
3. bridging finance	%
4. no deposit	%
5. low document	%

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

- | | |
|---------------------|---|
| 1. < 30 days | % |
| 2. within 6 months | % |
| 3. within 12 months | % |
| 4. 12-24 months | % |
| 5. 2-5 years | % |
| 6. > 5 years | % |

i. What percentage of loans are in arrears? %

j. Please outline the process in place for dealing with loans in arrears.

k. Please outline the audit and review processes in place for approved loans.

l. Please outline the processes and controls in place with respect to transfer of loan funds.

m. Please provide details of the largest borrower across the loan book, including number of loans, nature of loans and percentage (%) of total book exposed.

n. Please provide a copy of your loan schedule which includes each loan, borrower, size of loan and all financial and performance measures (add as separate attachment).

18. DECLARATION

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 of any changes to any information supplied or of any new information that is relevant
- that we understand Liberty relies on the accuracy of the information and documentation supplied proposing for this insurance
- that if a Contract of Insurance is entered into, all information and documentation supplied in proposing for this insurance will be incorporated into and form part of such Contract of 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, if any
- **that the proposed Insured is a small business with a turnover of less than AU\$2 million in the last financial year. Note that if 'no' is selected or this question is left blank, Liberty will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.**

Yes No

To be signed by the chairperson and an executive officer.

Signature

Name (please print)

Title: Chairperson

Date

Signature

Name (please print)

Title: Executive Officer

Date

Privacy Notice

Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605) incorporated in Massachusetts, USA (the liability of members is limited) (**Liberty**) is part of the Liberty Mutual Group headquartered in the United States.

We collect personal information to provide insurance products and services, manage claims and support related business operations. This may include information collected from insurance brokers, intermediaries, or directly from you. If you do not provide the personal information requested, we may be unable to offer the appropriate type or level of service.

If you provide Liberty with personal or sensitive information about other individual, you must ensure they are aware of this notice and have consented to the disclosure. If you have not done so, please inform Liberty before sharing their data.

Your personal information may be disclosed to Liberty's related entities, reinsurers, insurance intermediaries, loss adjusters, legal and professional advisors and other service providers. We may also store your information with third party cloud or electronic storage providers.

Some recipients may be located overseas in the United States, Canada, United Kingdom, European Union, India, China, Australia, Hong Kong, Singapore and Malaysia. Where reasonably necessary, your information may be transferred to countries without comparable data protection laws to deliver the services you request. By engaging with Liberty, you consent to these cross-border transfers unless you notify us otherwise in writing.

We are committed to protecting your privacy and ensuring transparency in how we use your personal information. As part of this commitment, we confirm Liberty does not currently use automated decision-making (**ADM**).

You may access or seek correction of your personal information, make a privacy complaint, or raise any queries by contacting Liberty's Privacy Officer: privacy.officer.ap@libertymutual.com. If you require a physical mailing address, please contact the Privacy Officer via email.

For more information, and to view the relevant privacy policy for your jurisdiction, visit: [Australia Privacy Policy](#).

