

DUAL
A U S T R A L I A

Proposal Form
Investment Banking &
Corporate Advisory
Supplementary



Important Notice Relating to this Proposal

PLEASE READ THE FOLLOWING ADVICE BEFORE PROCEEDING TO COMPLETE THIS PROPOSAL FORM.

Your Investment Managers Insurance Policy is issued on a CLAIMS MADE basis. This means that this policy responds to:

- (1) Claims first made against you during the policy period and notified to the Insurer during that policy period, providing that you were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a Claim may be made against you; and
- (2) Pursuant to Section 40, sub-section 3 of the INSURANCE CONTRACT ACT 1984 which states: "Where the Insured gave 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 insurance cover provided by the contract"

When the policy expires, no new notification generally can be made on the expired policy even though the event giving rise to a Claim against you may have occurred during the policy period. You will not be entitled to indemnity under your new policy in respect of any Claim arising out of circumstances of which you were aware at any time prior to policy inception which would have put a reasonable person in your position on notice that a Claim may be made against you.

When completing your proposal you are obliged to report and provide full details of all circumstances which have become known to you and which would put a reasonable person in your position on notice that a Claim may be made against you. This is important to ensure that you make proper disclosure (refer to notice pursuant to the INSURANCE CONTRACT ACT 1984) in order that your entitlement to full indemnity under your new policy is not placed in jeopardy. In accordance with the provisions of the INSURANCE CONTRACT ACT 1984, DUAL Australia Pty Ltd is required to advise you of your responsibilities in relation to the disclosure of relevant information.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty, under the INSURANCE CONTRACT ACT 1984 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, upon 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 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 his business, ought to know;
- As to which compliance with your duty is waived by their Insurer.

(It should be noted that this duty continues after the proposal form has been completed up until the time the policy is entered into.)

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. It is therefore vital that you make sufficient enquiries BEFORE you complete your proposal form and BEFORE you sign any declaration that there has been no change in the information proposed. Please take notice of the following statements pursuant to the provisions of the INSURANCE CONTRACT ACT 1984.

Proposal Form: Investment Banking And Corporate Advisory Supplementary Proposal Form Surrender or Waiver of any Right of Contribution or Indemnity

Where another person or company would be liable to compensate you or hold you harmless for part or all or any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after the inception of the policy that you would not seek to recover any loss or damage from that person, you are NOT covered under the policy for any such loss or damage.

Notice of Occurrences or Events

If during the period of this policy, the Insured shall become aware of any occurrence which may give rise to a Claim under the policy and shall during the period of this insurance given written notice to the Insurer of such occurrence, any Claim which may be subsequently made arising out of the occurrence of which notification has been given shall be deemed to be a Claim made during the period of this policy whenever such Claim may actually be made.

Contract by the Insured Affecting Rights of Subrogation

If the proposed contract of insurance includes a provision which excludes or limits the Insurer's liability in respect of any loss because you are a party to an agreement which excludes or limits your rights to recover damages from a third party in respect of that loss, you are hereby notified that signing any such agreement may place your indemnity under the proposed contract of insurance at risk.

When completing this Proposal Form ...

- Please answer all questions giving full and complete answers

It is the duty of the Proposer to provide all information that is requested in the proposal form as well as to add additional relevant fact.

A relevant fact is such know fact and/or circumstance that may influence in the evaluation of the risk by the insurer. If you have any doubts about what a relevant fact is, please do not hesitate to contact your broker or insurer.

- If the space provided on the Proposal Form is insufficient, please use a separate signed and dated sheet in order to provide a complete answer to any question
- The proposal form must be completed, signed and dated by a person, who must be of legal capacity and authorised for the purpose of requesting directors & officers liability insurance for the firm who acts as a Proposer.

This proposal form does NOT BIND the Proposer to complete the insurance but will form part of any insurance.

Privacy Statement

DUAL Australia Pty Ltd is bound by the obligations of the Privacy Act 1988 as amended by the Privacy Amendments (Private Sector) Act 2000 regarding the collection, use, disclosure and handling of personal information.

We will protect the privacy of your personal information. We will use the information you provide in this Proposal Form (including any supplementary documentation) to consider your application for insurance, to determine policy terms, to assess a claim, etc.

We may disclose your personal information to third parties who we believe are necessary to assist us. These third parties will only use your personal information for the purposes we provided it to them (or if required by law). We may also be required to disclose your personal information to others for the purposes of public safety and/or law enforcement.

If you provide us with personal information about other individuals you must ensure that you obtain consent from those individuals to disclose that information to us. You are entitled to access your personal information and request any correction if required.

Proposal Form: Professional Indemnity Insurance

SECTION 1:

1. a. Listed on the Australian Stock Exchange:

	Income	Industry Served (if several please provide breakdown)
Mergers and Acquisitions Advice	%	
Corporate Advice	%	
Equity – New Issuance	%	
Equity – Secondary Issuance	%	
Debt – New Issuance	%	
Debt – Secondary Issuance	%	
Hybrid Capital Raisings	%	
Financial Restructures	%	
Other	%	

b. Please provide full details on any high yield offerings:

2. Please provide the gross revenue derived from investment banking activities for the last three years with an estimate for the current year:

Year	Income	% Income derived from US
Current		
T-1		
T-2		
T-3		

3. Average fee income any one client: \$ _____

4. Largest fee income any one client: \$ _____

5. Average dollar value any one transaction: \$ _____

6. Average number of transactions any one year: \$ _____

7. Number of failed/incomplete transactions in the last year: \$ _____

8. Please provide details of failed/incomplete transactions:

_____ (if more space needed please provide separately)

Proposal Form: Professional Indemnity Insurance

9. Average underwriting participation to date: _____

10. Largest underwriting participation to date: _____

11. Please describe the type of participation:

_____ (if more space needed please provide separately)

12. Total number of staff:
a. Partners/Directors/Principals _____
b. Employees _____

(Please attach resumes for the above)

13. Does the applicant have a securities lending service for clients Yes [] No []

If Yes, are these securities loaned off the applicants' own balance sheet or through a third party (i.e. Superannuation Funds):

_____ (if more space needed please provide separately)

a. Type of securities loaned _____
b. Exchanges loaned securities are traded on _____
c. Maximum value of securities loaned _____
d. Average value of position loaned _____
e. Maximum allowable leverage on loaned positions _____
f. Average leverage on loaned positions _____

14. Are internal guidelines in place with respect to procedures to ensure compliance with applicable regulatory rules?
Yes [] No []

Are procedures in place to ensure compliance with the above? Yes [] No []

15. Are Internal guidelines in place with respect to ensure adequacy of due diligence reviews?
Yes [] No []

Are procedures in place to ensure reviews are carried out? Yes [] No []

16. Are internal guidelines in place with respect to procedures to ensure financial ability of buyers represented in M&A transactions?
Are procedures in place to ensure financial reviews are completed? Yes [] No []

17. Are internal guidelines in place with respect to when independent outside review is required with respect to any investment banking transaction? Yes [] No []

Are procedures in place to ensure these reviews are carried out? Yes [] No []

18. Is a secondary independent review or a checklist procedure conducted internally prior to the release of advice or documentation to ensure all aspects of the transaction as agreed have been completed? Yes [] No []

Proposal Form: Professional Indemnity Insurance

Do you have a procedure or committee in place to perform a final quality review prior to the close of the transaction?

Yes [] No []

19. Are there adequate procedures in place to ring-fence sensitive information and to ensure no conflicts of interest with other areas of your organisation?

20. Are procedures in place with respect to valuation work undertaken to ensure the reasonableness of valuations?

Yes [] No []

Are Specific engagement letters used?

Yes [] No []

21. Please comment as to whether the applicant issues a pre-issuance/prospectus research report and if so how does it ensure that these documents are not viewed by a prospective user in forming their investment decision. Please comment on:

- a. The standard black out period : _____
- b. The risk disclosures presented: _____
- c. To whom the research reports are sent: _____
- d. Are these research reports sent to US investors: _____
- e. Procedures in place to ensure the accuracy and completeness of same: _____

22. Are there any material regulatory, internal recommendations outstanding or not implemented at present?

Yes [] No []

If Yes please provide full details: _____

23. In the past five years has any client and/or other third party made a written complaint to the applicant or to any regulatory body or commenced any civil proceeding in connection with any transaction?

Yes [] No []

If Yes please provide full details: _____

24. Has the applicant, any of its subsidiaries or any director, officer, partner or trustee:

- a. Been charged in any civil or criminal action or administrative or regulatory proceeding with a violation of any securities law or regulation? Yes [] No []
- b. Been charged in connection with any action or administrative or regulatory proceeding regarding allegations of market abuse? Yes [] No []
- c. Been charged in connection with any action or administrative or regulatory proceeding regarding laddering or spinning, conflicts of interest or other? Yes [] No []

(Laddering refers to the requirement to purchase additional shares in the aftermarket in return for IPO's, Spinning refers to allocating "hot" IPO's to the personal brokerage accounts of executives as an inducement to obtain investment banking business)

25. Has there been or is there now pending any claims against any person or entity proposed for cover alleging, arising out of, or in connection with any investment banking transaction? Yes [] No []

If Yes please provide full details: _____

Proposal Form: Professional Indemnity Insurance

26. Does any person or entity proposed for cover have knowledge of any act, error or omission, which may give rise to a claim under the proposed policy? Yes [] No []

If Yes please provide full details: _____

It is agreed that if the answer with respect to Questions 22-26 above, if such demand or claim exist or if such knowledge information or involvement exists, any claim or action arising there from is excluded from the proposed coverage.

Please attach:

- a. Standard Investment Banking Engagement letter. If different letters are applicable to different types of transactions, please provide a copy of each.
- b. A list of all Investment banking clients over the last three years
- c. A copy of the conflicts of interest policy
- d. A copy of the compliance plan
- e. A copy of the Human Resources manual
- f. A copy of any fixed income research reports issued by Applicant

SECTION 2: DECLARATION

SIGNING THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR THE INSURER TO COMPLETE THIS INSURANCE

The undersigned declares that the statement and particulars in this proposal form are true and that no material facts have been misstated or suppressed after enquiry. The undersigned agree that should any of the information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, the undersigned will give immediate notice thereof. The undersigned agrees that the Underwriters may use and disclose our personal information in accordance with the "Privacy Statement" at the beginning of this Proposal. The undersigned agrees that this proposal, together with any other information supplied by us shall form the basis of any contract of insurance effected thereon.

TO BE SIGNED BY THE INSURED FOR WHOM THIS INSURANCE IS INTENDED FOR

SIGNATURE: _____ **DATE:** _____

NAME: _____

POSITION: _____

IT IS IMPORTANT THE UNDERSIGNED OF THE DECLARATION ABOVE IS FULLY AWARE OF THE SCOPE OF THIS INSURANCE SO THAT THESE QUESTIONS CAN BE ANSWERED CORRECTLY. IF IN DOUBT PLEASE CONTACT THE BROKER OR AGENT, SINCE NON-DISCLOSURE MAY AFFECT AN ASSURED'S RIGHT OF RECOVERY UNDER THE POLICY

DUAL Australia recommends that you keep a record of all information supplied for the purpose of entering into an insurance contract (including copies of this Proposal Form and correspondence)

HOW TO CONTACT DUAL AUSTRALIA PTY LTD:

Address: DUAL Australia Pty Ltd
GPO Box 7101
Sydney NSW 2001
Australia

Telephone: 1300 769 772 (If dialling from outside Australia +61 2 9248 6300)

E-mail: enquiries@dualaustralia.com.au

