

## Directors & Officers' Management Liability

# PROPOSAL FORM

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**Intermediary:** \_\_\_\_\_

This is your proposal for insurance. It will be the basis of any subsequent insurance policy that Raheja QBE may issue to you. You are obliged to provide Raheja QBE with a full and frank disclosure of any and all facts that may be material to Raheja QBE's decision to grant a policy or the terms upon which it should be granted. It is therefore important that on behalf of all proposed insureds you answer fully and accurately all of the questions contained in this proposal, that you provide Raheja QBE with any and all information that may be relevant, and you inform Raheja QBE in writing if there is a change in the information provided in this proposal or otherwise between now and the date the Policy is granted.

Your failure to comply with this obligation may result in the rejection of a claim and/or the avoidance of the Policy. If you are in any doubt about the information to be given, please seek the advice and guidance of your insurance advisor or agent. If there is insufficient space in this proposal for you to provide relevant information, whether as requested or otherwise, please attach a separate sheet to this proposal and return it to Raheja QBE.

Raheja QBE is under no obligation to accept any proposal for insurance. If Raheja QBE accepts a proposal for insurance, it shall be subject to the policy terms, conditions and exclusions.

## **A. NOTICE TO THE PROPOSED INSURED PERSON(S) AND COMPANY**

### **1. Claims Made Policy**

This Proposal is for a "claims made" policy of insurance. This means that the Policy covers you for Claims made against you and notified to Raheja QBE during the Period of Insurance. This Policy does not provide cover in relation to:

- events that occurred prior to the Continuous Cover Date of the Policy (if such a date is specified);
- Claims made after the expiry of the Period of Insurance even though the event giving rise to the Claim may have occurred during the Period of Insurance;
- Claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- Claims made, threatened or intimated against you prior to the commencement of the Period of Insurance;
- facts or circumstances of which you first became aware prior to the Period of Insurance, and which you knew or ought reasonably to have known had the potential to give rise to a Claim under this Policy;
- Claims arising out of circumstances noted on the Proposal Form for the current Period of Insurance or on any previous Proposal Form.

However, where you give notice in writing to Raheja QBE of any facts that might give rise to a Claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the Period of Insurance, the Policy will, subject to the terms and conditions, cover you notwithstanding that a Claim is only made after the expiry of the Period of Insurance.

### **2. Average Provision**

The Policy provides that if a payment in excess of the Limit of Liability available under the Policy has to be made to dispose of a Claim, Raheja QBE's liability for costs and expenses incurred with its consent shall be such proportion thereof as the amount of indemnity available under this Policy bears to the amount paid to dispose of the Claim.

**IMPORTANT**

- Please answer ALL questions fully. If there is insufficient space please provide details on your letterhead.
- Where provided, tick ( • ) appropriate box to indicate answer.
- The proposed Insured Person will be referred to in this Proposal Form as "You" or "Your".

**B. DETAILS OF PROPOSED INSURED PERSON**

(a) Name of the Company or Organization.

(Hereinafter referred to as the "**Company**" in this Proposal Form and in the Policy.)

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(b) Permanent Address

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(c) Communication Address:

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(d) Date the **Company** commenced business: . / ..... / ..... .

(d) Principal business of the **Company**:

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(e) Email id of the Proposed Insured : .....

(f) Mobile no. of the Proposed Insured .....

(g) Bank account details : .....

Account no. ....

Account Type( Saving/Current).....

Name of the Bank & Branch.....

MICR Code( 9 digit) .....

IFSC Code (11 character code) .....

(h) Nomination details:

	1 <sup>st</sup> Nominee	2 <sup>nd</sup> Nominee	3 <sup>rd</sup> Nominee	4 <sup>th</sup> Nominee
Name of Nominee				
Date of Birth of Nominee	DD/MM/YYYY	DD/MM/YYYY	DD/MM/YYYY	DD/MM/YYYY
Percentage of Nomination	_____ %	_____ %	_____ %	_____ %
Relation with the Insured				
Mobile No.				
Email ID				
Present Address				
Permanent Address				
Details of authorised person in case if the nominee is a minor-				

Bank account details of the nominee

	1 <sup>st</sup> Nominee	2 <sup>nd</sup> Nominee	3 <sup>rd</sup> Nominee	4 <sup>th</sup> Nominee
Account no.:				
Account Type- Saving/Current:				
Name of the Bank & Branch:				
MICR code( 9 digit)				
IFSC code( 11 character code):				

Note: In case of more than 1 nominee, please attach a separate annexure mentioning all the detail of the nominees with their share in %:

## C. DETAILS OF BOARD OF DIRECTORS

PLEASE NOTE: If Your application contains the most recent Annual Report of the **Company** and the Board of Directors remains unchanged from that Annual Report then it is NOT necessary to complete this question. Simply tick (✓) the appropriate box below.

(a) Details of the Board of Directors of the **Company** are:

☐ In the attached Annual Report ☐ Detailed below

Name of Director	Qualifications	Age	Date
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			Appointed

## D. FINANCIAL POSITION AND PRACTICES OF THE COMPANY

- (a) Has there been any change in the financial position or capital structure of the **Company** or is there any trend or event not reflected in the annual report and financial statements attached to this Proposal Form, that might materially affect the financial position shown in those statements? YES ☐ NO ☐
- (b) Is any proposed **Insured Person** aware of facts or circumstances that might affect the ability of the **Company** to meet all its debts as and when they fall due? YES ☐ NO ☐
- (c) Did the **Company** or any **Insured Person** acquire any interests in any partnerships or special purpose vehicles or entities within the past 12 months? YES ☐ NO ☐
- (d) Does the **Company** have any plans to remove or replace its external auditor in the next 12 months? YES ☐ NO ☐
- (e) Are there any aspects of Your revenue recognition practices that have not been approved by Your existing external auditor, without qualification? YES ☐ NO ☐
- (f) Are any of Your significant accounting practices, including revenue recognition, anticipated to change in the next 13 months? YES ☐ NO ☐

If You have answered **Yes** to any of the above, please elaborate:

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## E. CLAIMS HISTORY OF DIRECTORS AND OFFICERS

After full enquiry,

- (a) Has there been or is there now any prior or pending **Claim** against any proposed **Insured Person**, in their capacity as a director or officer of either the **Company** or any other company, organization, association or trust or have circumstances been notified to insurers that might give rise to a Claim? YES ☐ NO ☐
- (b) Has there been or is there now any prior or pending litigation against the Company or any proposed **Insured Person**? YES ☐ NO ☐
- (c) Do any facts or circumstances exist that might give rise to a **Claim** against the Company or any proposed **Insured Person**? YES ☐ NO ☐

If You have answered **Yes** to any of the above, please elaborate.

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## F. CLAIMS HISTORY OF COMPANY

After full enquiry,

- (a) Has there been or is there now any prior or pending action, litigation or other proceeding against the **Company**, including but not limited to any action, litigation or other proceeding brought under or pursuant to any federal, State, or local legislation? YES ☐ NO ☐
- (b) Has there been or is there now any Prior or Pending Litigation, investigation, examination, inquiry or other proceedings in relation to the affairs of the **Company**? YES ☐ NO ☐
- (c) Do any circumstances exist that might give rise to any event described under (a) or (b) above? YES ☐ NO ☐

If You have answered **Yes** to any of the above, please elaborate.

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## G. CAPITAL RAISINGS

- (a) Has the **Company** had any capital raisings, rights issues, debt bond issues or **Securities Offerings** in the last three (3) years that exceeded twenty (20%) percent of the issued capital of the **Company** at placement date? YES ☐ NO ☐

If **Yes**, please supply details

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## H. SHAREHOLDER INFORMATION

- (a) Does any shareholder, or associated group of shareholders, own or control (directly or beneficially) more than ten percent (10%) of the share capital of the **Company**? YES ☐ NO ☐

If **Yes**, please supply details of the shareholders and the percentage owned / controlled.

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## I. MERGER, ACQUISITION OR TAKEOVER ACITIVITY

- (a) Has the **Company** been involved in any merger, acquisition, takeover or divestiture in the last three (3) years? YES ☐ NO ☐
- (b) Is the **Company** considering any merger, acquisition, takeover or divestiture proposal as present YES ☐ NO ☐

- (c) Is the **Company** subject to any takeover attempt, or has there been any attempted takeover of the **Company** in the last three (3) years? YES ☐ NO ☐

If You have answered **Yes** to any of the above, please elaborate.

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## J. NORTH AMERICAN OPERATIONS

- Does the **Company** conduct any business in the United States of America or Canada or their territories or protectorates? YES ☐ NO ☐

If **Yes**, please provide the following details.

- (i) Total assets held in North America: .....
- (ii) Total revenue generated from North America: .....
- (iii) Total number of employees in North America: .....
- (iv) Are the shares of the **Company** traded on any USA Stock Exchange? YES ☐ NO ☐
- (v) Does the **Company** have any American Depository Receipts traded in the USA? YES ☐ NO ☐

## K. INSURANCE COVER

- (a) Does the **Company** presently carry or has the **Company** ever carried, Directors and Officers Liability Insurance? YES ☐ NO ☐

If **Yes**, please supply details:

Insurer: .....

Expiry Date: .....

Limit of Liability: .....

Premium: .....

- (b) Has the **Company** or any proposed **Insured Person** ever been refused this type of insurance, or had similar insurance cancelled, or had an application of renewal declined, or had special terms imposed? YES ☐ NO ☐

If **Yes**, please supply details.

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## L. APPLICATION FOR COVER

- (a) Limit of Liability required: .....
- (b) Retention requested: ..... (Each and Every Claim)
- (c) Extensions:
- (i) Automatic Extensions
- Libel and Slander Automatically Included

- Intellectual Property Automatically Included
- Employment Practices Liability Automatically Included
- Blanket Subsidiary Cover Automatically Included
- Official Investigations and Enquiries Automatically Included
- Severability & Non-Imputation Automatically Included
- Previous Securities Offerings Automatically Included
- Additional Notification Period Automatically Included
- Advance Payment of Defence Costs Automatically Included

***(The above automatic extensions are included under the policies, however please refer to our formal quotation for confirmation.)***

(ii) Please indicate any Optional Extension for which you seek cover and complete the relevant additional questions.

- |  |  |
|--|--|
| • External Positions Held                              | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| • Pollution Cover                                      | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| • Prospectus Liability for Current or Future Offerings | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| • Joint Venture Liability                              | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| • Entity Protection for Critical Occurrences           | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| • Entity Protection for Employment Related Matters     | YES <input type="checkbox"/> NO <input type="checkbox"/> |
| • Entity Protection for Securities Claims              | YES <input type="checkbox"/> NO <input type="checkbox"/> |

(d) The allocation method for Defence Costs and Expenses is the 'Fair and Reasonable' Allocation.

## **M. OPTIONAL EXTENSIONS**

The granting of any of the following Optional Extensions shall be at the sole and absolute discretion of **Raheja QBE** who reserves the right to impose such additional terms and conditions, including any additional **Premium**, as it may require.

(a) In respect of Optional Extension **3.1 External Positions**:

Please attach a list of **Non-profit Associations** where **Directors or Officers** currently hold positions.

- (i) Are the **Non-profit association** positions held expected to remain unchanged for the next 13 months YES ☐ NO ☐
- (ii) Are all **Associated Companies** listed in the financial statements attached. YES ☐ NO ☐
- (iii) Do You ensure that each **External Entity** maintains comparable Insurance (Limit of Liability and breadth of cover) to yourself. YES ☐ NO ☐
- (iv) Are all **External Entities or Associations** able to pay their debts as and when they fall due? YES ☐ NO ☐

If You have answered **No** to any of the above, please elaborate

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In respect of **External Positions** held, other than on **Associated Entities** or **Non-Profit Associations**, please advise:



Name of External Entity	Nature of Business	Web Address	At last financial year end			% ownership of the External Entity
			Total Assets	Total Revenue	NPAT	

*If insufficient space, please attach a list incorporating the above information.*

(b) In respect of Optional Extension **3.2 Pollution**

- (i) What sub-limit of Liability is sought? \_\_\_\_\_ Any one Claim and in the aggregate.
- (ii) What retention would you like to bear? \_\_\_\_\_ Each and every Claim.

(c) In respect of Optional Extension **3.3 Prospectus Liability for Current and Future Offerings**

- (i) Please provide a copy of the prospectus or information memorandum.

(d) In respect of Optional Extension **3.4 Joint Venture Liability**

- (i) Please provide a list of Joint Ventures the Company is involved in.

(e) In respect of Optional Extension **3.5 Entity Protection for Critical Occurrences**

- (i) Are all announcements to the market regarding your financial performance vetted by the Chief Executive Officer, the Chairman or as a minimum 2 directors prior to release? YES ☐ NO ☐
- (ii) Does the **Company** anticipate having to take a significant one-time charge to earnings, or restate earnings, within the next 13 months? YES ☐ NO ☐

If You have answered **Yes** to e(ii) please elaborate:

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(f) In respect of Optional Extension 3.6 **Entity Protection for Employment Related Matters**

- (i) Please complete the table below:

Indian Rupees (Rs.)		Nature of Employment	
Annual Salary Band	Number of Employees	Permanent Full-time	Other
< Rs.100,000		%	%
Rs. 100,000 to Rs.300,000		%	%
> Rs.300,000		%	%

- (ii) Are any employees located outside of India? YES ☐ NO ☐

If **Yes**, please categorise

	Location	% of total Employees
	Other Asian countries	_____ %
	North America, Australia or Europe	_____ %
	Other	_____ %
(iii)	Has Your annual employee turnover rate remained below 15% for the last 3 years?	YES <input type="checkbox"/> NO <input type="checkbox"/>
(iv)	Are all employment terminations reviewed prior to termination?	YES <input type="checkbox"/> NO <input type="checkbox"/>
(v)	Do You have specific guidelines regarding explicit, pornographic or offensive material in the workplace, including use of computers (World Wide Web, E-mail or Screen Savers) for access to or display of such material?	YES <input type="checkbox"/> NO <input type="checkbox"/>
(vi)	Do You have structured recruitment procedures that avoid discrimination and ensure a fair employment application procedure?	YES <input type="checkbox"/> NO <input type="checkbox"/>
(vii)	Do Your procedures conform with local employment legislation?	YES <input type="checkbox"/> NO <input type="checkbox"/>

If You have answered **No** to any of the questions from (iii) to (vii), please elaborate:

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(viii)	Are You anticipating any redundancies, early retirements or downsizing in the next 12 months?	YES <input type="checkbox"/> NO <input type="checkbox"/>
(ix)	Have there been any <b>Employment Related Matters</b> or Claims that would have been covered under this Extension, or similar insurance, in the last five (5) years?	YES <input type="checkbox"/> NO <input type="checkbox"/>

If You have answered **Yes** to any of the questions from (viii) to (ix), please elaborate:

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(x)	What sub-limit of Liability is sought?	Any one Claim and in the aggregate.
(xi)	What retention would you like to bear? _____	Each and every Claim.

(g) In respect of Optional Extension 3.7 **Entity Protection for Securities Claims**

(i)	Are Your shares listed or traded on any exchange other than in the country of your principal address?	YES <input type="checkbox"/> NO <input type="checkbox"/>
(ii)	Are all of Your current debt issuances and maturities reflected in the consolidated financial statements supplied with this Proposal Form?	YES <input type="checkbox"/> NO <input type="checkbox"/>

If You have answered **Yes** to either of the above, please elaborate:

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(iii) What sub-limit of Liability is sought? \_\_\_\_\_ Any one Claim and in the aggregate.

(iv) What retention would you like to bear? \_\_\_\_\_ Each and every Claim.

## **N. DECLARATION FOR COMPLIANCE WITH ANTI MONEY LAUNDERING REGULATIONS**

I hereby declare and warrant on my behalf and on behalf of all those to be insured and after enquiry that to the best of my knowledge and belief that the answers given above are complete and accurate in all respects and that I have not withheld any information material to this proposal. I agree that this proposal, the declarations and accompanying documents or papers and any information provided hereafter shall form the basis of the contract proposed with Raheja QBE.

I/We hereby give my/our consent to Raheja QBE General Insurance Company Limited ('the Company') to verify and obtain my/our identity/address proof as well as the identity /address proof of the insured through Central KYC Registry or UIDAI or through any other modes for the purpose of undertaking KYC.

I/We hereby declare and confirm that the premium has been paid out of legally acquired sources of income and the subsequent premiums if any, will continue to be paid out of legally declared and assessed source of income.

I/We agree that the Policy shall become voidable at the option of the Company, in the event of any untrue or incorrect statement, misrepresentation, non-description or non-disclosure in any material particular in the personal statement, declaration and connected documents, or if any material information has been withheld by me/us or anyone acting on my/our behalf to obtain any benefit under this Policy.

I hereby declare and warrant that to the best of my knowledge and belief the answers given above and documentation submitted are true, complete and accurate and that I have not withheld any information material to this proposal. I agree that the information in this form and the accompanying documentation submitted shall form the basis of the contract proposed between me and the Company.

(10) Are you or any of the proposed applicants/beneficial owner a PEP\* or a close relative of a PEP\*? YES / NO

If yes, please give details:.....

\*Politically Exposed Persons (PEPs) are individuals who are or have been entrusted with prominent public functions in a foreign country, e.g., Heads of States/ Governments, senior politicians, senior government/judicial/military officers, senior executives of state-owned corporations, important political party officials, etc

### **Declaration when the proposal form is filled by a person other than the proposer/ the proposer signs in a vernacular language/ proposer is illiterate.**

I hereby declare that I have read out and explained the content of this proposal form and all other connected documents incidental to availing the insurance policy from Raheja QBE GIC Ltd. to the proposer and that he/ she confirmed that he/ she has understood the same and that he/ she agrees to abide by all the terms & conditions of the same.

I hereby declare that I have fully explained to the proposer the answers to the questions that form the basis of the contract of insurance have also explained the contents in this form to the proposer in \_\_\_\_\_ language, that I have truly and correctly recorded the answers give by the proposer and that the proposer has affixed his/ her thumb

impression on the proposal form in my presence, after fully understanding the contents thereof. Further, this declaration does not confirm issuance of policy or assumption of risk thereof.

I hereby state that the contents of the form and documents have been fully explained to me and that I have fully understood the significance of the proposed contract.

Name of Proposer \_\_\_\_\_ Name of Witness \_\_\_\_\_

Signature of Proposer \_\_\_\_\_ Signature of Witness \_\_\_\_\_

Date: \_\_\_\_\_ Place: \_\_\_\_\_

Relationship with Proposer: \_\_\_\_\_

Address of Witness: \_\_\_\_\_

Signed, Chairman: \_\_\_\_\_ Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

Signed, Managing Director

/Chief Executive Officer: \_\_\_\_\_ Date: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

**Please enclose with this Proposal Form:**

- (a) The last two (2) annual reports and financial statements (including audit report) of the Company.
- (b) The last interim statement of the Company (if applicable).
- (c) Copy of the indemnity clause from the Company's Articles of Association.

Raheja QBE General Insurance Company Ltd.  
**5th Floor, A Wing, Fulcrum, IA Project Road,  
Sahar, Andheri East, Mumbai - 400059**

**Your Insurance Adviser or Broker**

**PROHIBITION OF REBATES**

**(Under Section 41 of the Insurance Act, 1938)**

No person shall allow or offer to allow, either directly or indirectly as an inducement to any person to take out renew or continue an insurance in respect of any kind of risks relating to lives or property in India, any rebate of the whole or part of the commission payable or any rebate of the premium shown on the policy, nor shall any person taking out or renewing or continuing a Policy accept any rebate, except such rebate as may be allowed in accordance with the published prospectus or tables of the insurer.

Any person making default in complying with the provisions of this section shall be punishable with fine which may extend to ten lakh rupees.