

### IMPORTANT NOTICES

#### PLEASE READ THE FOLLOWING ADVICE BEFORE PROCEEDING TO COMPLETE THIS ADDENDUM

##### 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 period of insurance and notified to the Insurer during that period of insurance, 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 Contracts Act 1984* (Cth.) 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 period of insurance. 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 Contracts Act 1984* (Cth.)) 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 Contracts Act 1984* (Cth.), 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 complete this proposal form and enter into a contract of general insurance, please be aware that 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, 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 matters:

- 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 Contracts Act 1984* (Cth.).

## 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 Addendum

- Please answer all questions giving full and complete answers.
- It is the duty of the Applicant to provide all information that is requested in the Addendum 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 Addendum 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 Investment Managers Insurance for the firm who acts as a Applicant..

**This proposal form DOES NOT BIND the Applicant or the Insurer to complete the insurance but will form part of any insurance.**

## Privacy Collection Statement

At DUAL Australia Pty Ltd, we are committed to compliance with the *Privacy Act 1988* (Cth). We use your personal information to assess the risk of and provide insurance, and assess and manage claims. We may also use your contact details to send you information and offers about products and services that we believe will be of interest to you. If you don't provide us with full information, we may not be able to provide insurance or assess a claim. If you provide us with information about someone else you must obtain their consent to do so.

We provide your information to the insurer we represent when we issue and administer your insurance. When providing a quotation or insurance terms, we will tell you if the insurer is overseas and if so, where they are. We are part of the Hyperion Insurance Group and may provide your information to UK based Group entities who provide us with business support services. We may also provide your information to your broker and our contracted third party service providers (e.g. claims management companies), but will take all reasonable steps to ensure that they comply with the Privacy Act.

Our Privacy Policy contains information about how you can access the information we hold about you, ask us to correct it, or make a privacy related complaint. You can obtain a copy from our Privacy Officer by telephone (+61 (0)2 9248 6300), email ([reception@dualaustralia.com.au](mailto:reception@dualaustralia.com.au)) or by visiting our website ([www.dualaustralia.com.au](http://www.dualaustralia.com.au)).

By providing us with your personal information, you consent to its collection and use as outlined above and in our Privacy 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 Addendum and correspondence with us or your insurance broker or agent).**

### Section 1

### General

1. This Declaration is supplementary to and forms part of the following proposal form:

Applicant: \_\_\_\_\_

AFSL No: \_\_\_\_\_

Signed & Dated: \_\_\_\_\_



Anti Money Laundering / Counter terrorism Financing Policy	Yes [ ]	No [ ]
Anti Fraud Policy	Yes [ ]	No [ ]

**If YES, to any of the above please provide full details on a separate sheet.**

6. How frequently does the board of directors review the following?
- |                                      |         |        |
|--------------------------------------|---------|--------|
| a. Financial Statements              | Yes [ ] | No [ ] |
| b. Auditor Rotation                  | Yes [ ] | No [ ] |
| c. Portfolio Company Performance     | Yes [ ] | No [ ] |
| d. Portfolio Company Valuations      | Yes [ ] | No [ ] |
| e. Insurance                         | Yes [ ] | No [ ] |
| f. Investment Strategy               | Yes [ ] | No [ ] |
| g. Gearing Strategy                  | Yes [ ] | No [ ] |
| h. Litigation (Actual or threatened) | Yes [ ] | No [ ] |
7. Does the Applicant have an Investment / Investment Advisory committee? Yes [ ] No [ ]

If YES, please provide full details: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

8. Please advise how deals are sourced: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

9. Please provide details of the investment criteria for each fund including:

- |                             |       |
|-----------------------------|-------|
| a. Average Investment Size  | _____ |
| b. Average Enterprise Value | _____ |
| c. Largest Investment       | _____ |
| d. Investment Stage         | _____ |
| e. Location of Investment   | _____ |
| f. Preferred Industry       | _____ |
| g. Any industries avoided   | _____ |
| h. Exit Strategy            | _____ |

10. Please provide details regarding the number of divestments made in the past 3 years: \_\_\_\_\_

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11. Does the Applicant's legal counsel review proposed contracts, shareholder agreements, information memoranda and the like prior to release? Yes [ ] No [ ]

12. Is the Applicant considering establishing any new funds in the coming year? Yes [ ] No [ ]

If YES, please provide full details: \_\_\_\_\_

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13. Has the Applicant adopted the International Private Equity and Venture Capital Valuation Guidelines (Sept 2009 edition)? Yes [ ] No [ ]

14. Has the Applicant adopted the Australian Venture Capital Association Limited (AVCAL) Reporting Guidelines (June 2004 edition) Yes [ ] No [ ]

## Section 2 | Portfolio Companies

1. Does the Applicant require a hold harmless agreement when an investment is made by a fund? Yes [ ] No [ ]

2. Does the Applicant require unanimous approval by the general partners, board of directors or investment committee, prior to an investment being approved? Yes [ ] No [ ]

3. Please provide a brief outline of the investment decision making process: \_\_\_\_\_

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4. Please provide a brief outline of the nature of services provided by the Applicant to portfolio companies:

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5. Does the Applicant always ensure board representation when an investment is made by a fund? Yes [ ] No [ ]

6. Does the Applicant ever appoint external representatives to the board of portfolio companies? Yes [ ] No [ ]

If YES, please provide full details: \_\_\_\_\_

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7. Does the Applicant require the portfolio company to purchase directors and officers liability insurance prior to securing board representation? Yes [ ] No [ ]
8. Are director indemnities provided by portfolio companies for directional positions? Yes [ ] No [ ]
9. Are advisory committee members ever requested to participate on the board of portfolio companies? Yes [ ] No [ ]
10. Does the Applicant maintain board representation post divestment? Yes [ ] No [ ]

If YES, please provide full details: \_\_\_\_\_

### Section 3

### Further Declaration to the Proposal

#### **SIGNING THIS ADDENDUM DOES NOT BIND THE PROPOSER OR THE INSURER TO COMPLETE THIS INSURANCE**

The undersigned declares that the statement and particulars in this Addendum 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 Addendum 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 Addendum.

The undersigned agrees that this Addendum, 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**

Full Name: \_\_\_\_\_

Position: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: / /

**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 Addendum 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: [dualenquiries@dualaustralia.com.au](mailto:dualenquiries@dualaustralia.com.au)