

MAGMA HDI GENERAL INSURANCE COMPANY LTD.

**PROPOSAL FORM - DIRECTORS AND OFFICERS LIABILITY INSURANCE POLICY
(COMMERCIAL)**

Intermediary Code: _____

Intermediary Name: _____

This proposal for insurance will be the basis of any subsequent insurance policy that we issue to you. It is essential that you answer fully and accurately all of the questions contained in this proposal, and that you provide us with any and all additional information relevant to the risk to be insured or our decision as to the acceptance of the risk or the terms upon which it should be accepted. Your failure to comply with this obligation now may result in the rejection of your claim and the avoidance of your policy when a claim is made. If you are in any doubt about the information to be given, please seek the advice and guidance of your insurance advisor or agent. Liability of the company does not commence until the proposal has been accepted and the premium has been received in accordance with the provisions of section 64VB of the insurance act, 1938.

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

If insufficient space on this form, please use an attachment page

A. 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) Principal Address:

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

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

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B. 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 Appointed

C. 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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D. 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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E. 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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F. 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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G. 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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H. MERGER, ACQUISITION OR TAKEOVER ACITIVITY

- (a) Has the **Company** been involved in any merger, acquisition, takeover or divesture in the last three (3) years? YES NO
- (b) Is the **Company** considering any merger, acquisition, takeover or divesture 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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I. 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:

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- (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

J. 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:

Period of Insurance:

Limit of Liability:

Premium amount (including GST):

- (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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K. APPLICATION FOR COVER

- (a) Limit of Liability required:
- (b) Retention requested: (Each and Every Claim)

L. OPTIONAL EXTENSIONS

- (f) In respect of Optional Extension **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 NO

(iv) Are all employment terminations reviewed prior to termination? YES NO

(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 NO

(vi) Do You have structured recruitment procedures that avoid discrimination and ensure a fair employment application procedure? YES NO

(vii) Do Your procedures conform with local employment legislation? YES NO

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 NO

(ix) Have there been any **Employment Related Matters** or Claims that would have been covered under this Extension, or similar YES NO

insurance, in the last five (5) years?

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 **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 NO

(ii) Are all of Your current debt issuances and maturities reflected in the consolidated financial statements supplied with this Proposal Form? YES NO

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.

Premium Payment Details:											
Kindly select : <input type="checkbox"/> Cheque <input type="checkbox"/> DD <input type="checkbox"/> NEFT <input type="checkbox"/> Cash											
Cheque /DD/ PO /UTR No. <input type="text"/>											
Payee Name/ Account Holder Name <input type="text"/>											
Date <input type="text"/>				IFSC <input type="text"/>							
Amount in Rs. <input type="text"/>											
Bank Account No. <input type="text"/>											
Bank Name <input type="text"/>						Branch <input type="text"/>					
PAN Number <input type="text"/>											
<i>Documents to be attached as per requirement for fulfillment of KYC Norms.</i>											
GST Registered										Yes/ No	
GSTIN Number											
GST State											

"I/We hereby give my/our consent to 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 permitted modes for the purpose of undertaking applicable KYC."

I, _____ (Full Name) in my capacity as an Insurance Advisor/Specified Person of the Corporate Agent/Authorized employee of the Broker/Relationship Officer, do hereby declare that I have explained all the contents of this Proposal Form, including the nature of the questions contained in this Proposal Form to the proposer including statement (s), information and responses(s) submitted by him/her in this Proposal Form to questions contained herein or any details sought herein will form the basis of the Contract of Insurance between the Company and the Proposer, if this Proposal is accepted by the Company for issuance of the Policy. I have further explained that if any untrue statement(s)/information/response(s) is/are contained in this Proposal Form / including addendum(s), affidavits, statements, submissions, furnished/ to be furnished, or if there has been a non-disclosure of any material fact, the Policy issued to his/her favour pursuant to this Proposal may be treated by the Company as null and void and all premium paid under the Policy may be forfeited to the Company.

License No./ID (Advisor/Corporate Agent/Broker/Relationship Officer)

Date: DD MM YYYY

Signature of the Insurance Advisor: _____

DECLARATION

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 proposal form/personal statement, declaration and connected documents, or any material information has been withheld by me/us or anyone acting on my/our behalf to obtain any benefit under this Policy.

I/We, the undersigned hereby declare and warrant that the above statements are true, accurate and complete. I/We desire to effect an insurance as described herein with the Company and I/We agree that this proposal and declarations hereto shall be the basis of contract between me/us and the Company and I/We agree to accept a Policy subject to the conditions prescribed by the Company.

I/We agree that the issuance of Policy/Cover Note shall be subject to realisation of premium cheque.

I/We hereby agree and confirm that if the amount collected is less than the premium quoted or revised as per changes in sum proposed for insurance or scope of cover desired by me/us, the proposal shall be considered for acceptance for a reduced sum appropriate to the premium collected and the Policy shall be finalised accordingly.

I hereby consent to and authorize Magma HDI General Insurance Company Limited to make welcome calls, service calls or any other communication (electronic or otherwise) with respect to the proposed or existing policy of Company from time to time and subject to the provisions of applicable law.

I wish to get all policy related communications on my Whatsapp (other app) number.

I/We hereby declare and undertake that the amount paid by me/us as premium for aforementioned policy is out of my/our lawful and declared source of income.

AML Guidelines

I/we hereby confirm that all premiums paid / payable in future are from bonafide sources and not paid out of proceeds of crime and that such premiums are not disproportionate to my/our income. I / we understand that the Company has the right to call for documents to establish sources of funds and to cancel the insurance policy in case I / we are found guilty by any competent court of law under any of the statutes, directly or indirectly governing the prevention of money laundering law in India.

Date: DD/MM/YYYY

Signature of the Proposer: _____

Are you or any of the proposal applicants PEPs* or a close relative/associate of PEPs*?

YES NO

If yes, please share the details of "Politically Exposed Persons"(PEPs):

* (PEPs) are individuals who have been entrusted with prominent public functions by a foreign country, including the heads of States or Governments, senior politicians, senior government or judicial or military officers, senior executives of state-owned corporations and important political party officials

Additional Information:

Nationality: Indian

Non-Indian

If, Non-Indian, please specify Country:-----

Type of Organisation:

(i) Corporations

(ii) Trust

(iii) Government

(iv) Partnership

(v) Non-Government Organisations

(vi) Co-operatives

(vii) Society

(viii) Private Limited Company

(ix) Public Limited Company

(x) others, please specify-----

Source of Funds:

Business: -----

Salaried:-----

Others (please specify)-----

VERNACULAR DECLARATION

I hereby declare that I have fully explained the contents of the proposal form and all other documents incidental to availing the insurance from **Magma HDI General Insurance Company Limited** to the proposer in the language understood by him/her. The same has been fully understood by him/her and the replies have been recorded as per the information provided by the proposer. Replies have been read out to, fully understood and confirmed by the proposer.

Place: Proposer's Signature _____

Company stamp

Date: (DD-MM-YYYY) Name: _____ Designation _____

INSURANCE ACT 1938 SECTION 41- Prohibition of Rebates

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk 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 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 lakhs rupees.

Please enclose one document of 'Proof of Identity' and one document as 'Proof of Address' with this application. The following documents are accepted as:

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).**

Prohibition of Rebates Under Section 41 of Insurance Law (Amendment) Act, 2015

No person shall allow or offer to allow either directly or indirectly, as an inducement to any person to take out or renew or continue an insurance in respect of any kind of risk 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 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 lakhs rupees.

Please enclose one document of 'Proof of Identity' and one document as 'Proof of Address' with this application.

The following documents are accepted as:

Proof of Identity:	Proof of Address:
For Individuals	
1. Passport 2. PAN Card 3. Driver's License 4. Voter's Identity Card 5. Letter from Recognized Public	1. Telephone/Mobile bill not older than six months on the date of commencement of insurance 2. Bank A/c Statement with Residential address not older than six months on the date of commencement 3. Electricity Bill

Authority	<ol style="list-style-type: none"> 4. Ration Card 5. Valid Lease Agreement along with Rent Receipt for 3 Months preceding the date of commencement of risk 6. Employer's Certificate 7. Letter from Recognized Public Authority
For Companies	
<ol style="list-style-type: none"> 1. Certificate of Incorporation and Memorandum and Articles of Association. 2. Resolution of the Board of Directors to open an account and identification of those who have authority to operate the account. 3. Power of Attorney granted to its managers, officers or employees to transact business on its behalf. 4. Copy of PAN allotment letter 	
For Partnership Firms	
<ol style="list-style-type: none"> 1. Registration Certificate 2. Partnership Deed 3. Power of Attorney granted to a partner or an employee of the firm to transact business on its behalf. 4. An officially valid document identifying the partners and the persons holding the Power of Attorney and their address. 	
For Trusts and Foundations	
<ol style="list-style-type: none"> 1. Certificate of registration, if registered. 2. Power of Attorney granted to transact business on its behalf. 3. Any officially valid document to identify the trustees, settlers, beneficiaries and those holding Power of Attorney, founders/managers/directors and their address. 4. Resolution of the founding body of the foundation/trust/association. 	

Please provide copy of a cancelled cheque if premium is paid through NEFT /ECS /RTGS