

PROPOSAL FORM

Crime & Professional Indemnity (Banks/Lending Institutions)

Please answer **ALL** questions completely.

Should any question or part thereof not be applicable, please state "N/A".

Should insufficient space be provided, please continue on your company letterhead.

Kindly Note:

1. Please complete Annexure/s relevant to your business activities.
2. The latest audited Financial Statements/Annual Report/Interim Report must be attached.

Business Activity	Annexure
Third-party Fund Management/Administration	Annexure A
Trading/Stock Broking	Annexure B
Insurance / Assurance Companies	Annexure C
Financing/Lending/Extension of Credit	Annexure D
Corporate Finance/Mergers and Acquisitions	Annexure E
Property Fund Management	Annexure F
Trust Company/Services	Annexure G
Banking (Retail and Commercial)	Annexure H
Assets/Subsidiaries located in North America	Annexure I
Social Engineering	Annexure J

Particulars of Proposer

Name of Proposer _____

Principal address _____
_____ Post code _____

Postal address _____ Post code _____

Contact person _____

Email address _____

Website _____

Type of organisation _____

VAT number _____

Subsidiary Details

Name	Location	Date established	Principal activity

Lastest credit rating _____

Has the Proposer been acquired by another entity, merged or acquired any other business during the last year?

Yes No

If Yes, please provide details

Activities

Detailed breakdown of activities and % of total revenue derived from each activity

	%
	%
	%
	%
	%

Has the Proposer provided any new services to its clients in the last 12 months?

Yes No

If Yes, please provide details

Does the Proposer intend on offering any new services in the next 12 months?

Yes No

If Yes, please provide details

Locations

Domestic	USA/Canada	Elsewhere

Number of employees (including any employees of subsidiary and associated companies to include within the scope of the policy) sub-divided as follows:

	Domestic	USA/Canada	Elsewhere	Total
Responsible for money, stock and/or accounts including any financial dealing, trading (e.g. executives, managers, site managers, accounting personnel, stock controllers, computer staff, commercial travellers, van drivers etc.)				0
Employees not having responsibility for money stock and/or accounts				0

Regulation/Compliance

To which regulatory authorities is the Proposer accountable?

Is the Insured licensed and compliant with all legislation regulating the business?

Yes No

If No, please provide details

During the last five years, has the Proposer received any admonishment or critical directive from the Financial Services Board or any regulatory authority? Yes No

If Yes, please provide details

Does the Proposer have an in-house Legal Department? Yes No

Does the Proposer use a standard form of contract, agreement or letter of appointment with regard to services performed? Yes No

If Yes, by whom?

Are all publications issued by the Proposer reviewed by the in-house Legal Department and/or outside legal advisers? Yes No

Does the proposer have any contract in place with its service providers which contractually limits the service provider's liability or limits or waives the proposer's rights of recourse? Yes No

If Yes, please provide details

State the name of the independent firm of Chartered Accountants or Professional Auditors or other competent Authority who fully audit your Accounts annually

Please describe any major recommendations and/or control deficiencies noted by the external auditor, regulatory authority or independent consultant

Cover Required and Insurance History

State details of similar insurances carried during the previous five years, if any

Professional Indemnity/Civil Liability		Bankers Blanket Bond/Fidelity/Crime	
Insurer		Insurer	
Limit of Indemnity		Limit of Indemnity	
Deductible		Deductible	

Limit of Indemnity required _____

Excess (each and every claim) _____

Optional Extensions

Unidentifiable Employees Yes No

Impersonation/Social Engineering* Yes No

Inter-Company Liability Yes No

Trust Services Yes No

North America Yes No

Reinstatement Yes No

Extended Reporting Period Yes No

**If Social Engineering is required please complete Annexure J*

New Subsidiaries

Yes No

If **Inter-Company**, liability is required please confirm

The entities concerned are separate legal entities

Yes No

All contracts or agreements between the entities are based on the same market related terms entered into between the Insured and any other client/third party?

Yes No

Is the Proposer currently involved in any litigation as defendant relevant to coverage sought?

Yes No

If Yes, please provide details

Has any application made by the Proposer or its predecessors in business for Professional Indemnity/Civil or Fidelity Guarantee/Crime Insurance ever been declined?

Yes No

If Yes, please provide details

Has any Professional Indemnity/Civil or Fidelity Guarantee/Crime Policy in the name of the Proposer or its predecessors in business ever been cancelled?

Yes No

If Yes, please provide details

Details of any losses, relevant to this insurance, which you have sustained during the past five years and/or any circumstances likely to give rise to a loss or losses whether insured or uninsured:

Nature of loss	Date discovered	Location	Amount (actual/estimated)

Details of corrective measures taken to avoid recurrence of the said losses

Funds Transfer/Telephonic Instructions

Does the Proposer use or subscribe to any Electronic Funds Transfer Systems?

Yes No

Does the Proposer use or subscribe to any Electronic Funds Transfer Systems which allow direct access by clients to the Proposer's data base?

Yes No

Specify each one

Does the Proposer use or subscribe to any Electronic Funds Transfer Systems which allow clients to directly execute a transfer of funds?

Yes No

Does the Proposer permit the initiation of Funds Transfer by telephone instruction from clients?

Yes No

If Yes, do all clients to whom this facility is available complete written agreements outlining legal responsibilities, transfer limits and call back parameters for verification?

Yes No

If Yes, please attach a copy. If No, please elaborate.

What are the call back parameters for verification?

Are all conversations including these instructions recorded?

Yes No

Describe the procedures adopted when instructions are received by telephone

Internal Controls

Is there an Internal Audit department?

Yes No

If Yes, please provide details of operations

Name the international security standards with which you are compliant

Do you require all Directors and Employees to declare their outside business interests and specify relationships which could lead to possible conflicts of interest?

Yes No

Are the duties of each Employee arranged so that no one Employee is permitted to control any transaction from commencement to completion?

Yes No

Is dual control established and maintained for the handling of:

All types of securities, negotiable and non-negotiable instruments and unissued and blank forms of said item?

Yes No

The reserve supply of official cheques, drafts and unissued travellers cheques and similar instruments?

Yes No

If No, describe alternative controls

IT System Security

Do you have a designated Data Security Officer?

Yes No

If Yes, please provide details of operations

If No, describe describe how data security is managed within your organisation

Is there a written data security Manual/policy and procedures?

Yes No

If No, please explain

Describe security access used to afford varying levels of entry to the computer system depending on the need and authorisation of the user

How often are passwords changed _____

Are password changes systems driven Yes No

Are all source documents secured to prevent unauthorised modification or use of data before entering the computer system? Yes No

Do personnel inputting data either initial, sign or otherwise identify data they prepare? Yes No

Is the use of terminals restricted only to authorised personnel? Yes No

Are remote terminals kept in a physically secure location accessible to authorised personnel only? Yes No

If No, please describe what steps are taken to prevent an unauthorised user from utilising a terminal

Are there positive entry control procedures to restrict the entry of non-authorised personnel into your Data Processing Centre? Yes No

Please specify

Limit of Indemnity				
	Option 1	Option 2	Option 3	Option 4
Quote	_____	_____	_____	_____
Deductible	_____	_____	_____	_____

Privacy Clause

In order to provide you with insurance, we have to process your personal information. We will share your personal information with other insurers, industry bodies, credit agencies and service providers. This includes information about your insurance, claims and premium payments. We do this to provide insurance services, prevent fraud, assess claims and conduct surveys. We will treat your personal information with caution and have put reasonable security measures in place to protect it. By signing this application for insurance, you agree to the processing and sharing of your personal information.

Declaration

I/We, the undersigned, declare that the statements set forth in this proposal form together with any other information supplied are true and correct and that I/we have not misstated or suppressed any material facts.

I/We agree that this proposal form together with any other information supplied by me/us shall form the basis upon which the contract of insurance is concluded and shall be incorporated therein.

I/We further undertake that in the event that the information provided changes between the date of this application and inception of cover, I/We will notify ITOO of such changes as soon as reasonably possible.

Name (duly authorised)

Designation

Signature

Date

Y	Y	Y	Y	M	M	D	D
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Section B

Annexure A: Third Party Fund Management/Administration

Total Third Party Funds under	Current/last date of interim report	At last year end	At previous year end
Discretionary Management			
Non-discretionary Management			
Administration			

Names of all Fund Managers, length of service, specific responsibilities and personal qualifications

Name	Length of service	Specific responsibilities	Professional qualifications

Kindly complete or attach a Fact Sheet for each fund

Fund name _____

Fund size _____

Fund type _____

Sector _____

Date established _____

FSB registration number _____

Ranking within peer group _____

Independent rating _____

% Returns	Fund	Benchmark
Since inception		
Last 10 years (annualised)		
Last 5 years (annualised)		
Last 3 years (annualised)		
Last 1 year		

Annexure B: Trading/Stock Broking Activities

Are there defined and communicated formal trading policies and dealing limits? Yes No

How frequently are trading positions reviewed for compliance with formal trading policies and investment mandates? Yes No

Are accounts of trades which exceed set limits identified or rectified or referred to senior management for immediate action? Yes No

Do trade counterparties receive authorised confirmation of all deals prior to settlement? Yes No

Is the investment portfolio periodically substantiated against recorded values independently of the dealer and fund manager? Yes No

Are responsibilities for investment decisions segregated from accounting activities and custodial responsibilities? Yes No

List membership of all Stock Exchange trading markets and exchanges including overseas where applicable

Are client instructions recorded on receipts? Yes No

Are all client instructions time-stamped? Yes No

Are procedures adopted to ensure that an appropriate client agreement or terms of business letter is in force? Yes No

Are procedures adopted to ensure that all client instructions have subsequently been processed? Yes No

Are records maintained of unfulfilled instructions? Yes No

Are procedures adopted to ensure that the capacity in which the firm is instructed to act is recorded (that is as agent or principal)? Yes No

What transaction limits are imposed on employees?

What review procedures are adopted and by whom to ensure that employees transactions comply with internal rules?

Are all open balances of whatever nature reconciled and checked against Stock Exchange accounts? Yes No

Are reconciliations for all sundry and suspense accounts prepared by a senior employee and reviewed each account? Yes No

Does the company have direct market access (DMA) to the JSE? Yes No

If No, who are the prime brokers?

Are automated trading programs used as a method of trading? Yes No

Are algorithmic trading programs used? Yes No

What percentage of total trading revenue is derived:	High frequency trading	%
	Algorithmic trading methods	%
What percentage of annual orders are manually booked and executed by traders (i.e. non-algorithmic)?		%
Approximately what percentage of total loaded orders are never executed		%

Does the firm participate in any of the exchange deals? Yes No

If Yes, are these deals disclosed to the JSE? Yes No

Annexure C: Insurance/Assurance Companies

	Current year end	Last year end	Previous year end
Gross Premium Income			
Total Assets			
Net Income/(Loss)			
Policyholders			
Surplus/Shareholders Equity			
Statutory required CAR			
Capital Adequacy Ratio			
Combined ratio			

Do you operate a formal underwriting manual covering all classes of insurance business written? Yes No

Indicate where business production is obtained from as a percentage of the following:

Agents	%	Direct Sales	%
Brokers	%	Other (please specify)	%

Are those designated to receive premium operationally segregated in day to day handling of business? Yes No

Is responsibility for claims inspections and settlement segregated from underwriting? Yes No

Are claims payments agreed by at least two authorised staff? Yes No

If No, to any of the above please describe alternative controls in place

Annexure D: Lending/Extension of Credit

Are your lending procedures compliant with the National Credit Act or similar legislation in any other jurisdiction Yes No

If NO, please explain

Please provide estimates of credit extended by the Company based on the total Rand volume and percentage of the Company's loan volume derived from each category

	Volume (Rand)	% of loans
Commercial Loans and Overdrafts		
Residential Real Estate Loans		
Personal Loans		
Leasing		
Construction Loans		
Development Loans		
Credit Card Loans		
Foreign Exchange dealings		
Interbank Loans		
Bridging Finance		
Other, please specify		
TOTAL	R R 0.00	100%

Do you operate and maintain a loan policy manual. Yes No

If YES, does it include

Individual lending limits Yes No

Lending criteria Yes No

Authority levels Yes No

Collateral requirements and authentication procedures Yes No

Define maximum loan to value ratios for each loan class

Are the identities of all signatories independently verified for collateral agreements, loan authorities, and notes Yes No

Are all new and renewal loan applications and accompanying documents required to be signed in the presence of an officer Yes No

If NO, please explain what signature verifications method is used

Are data and collateral involved with the granting of loans, including loan participations, always verified as genuine on new and renewal loans before funds are disbursed Yes No

If NO, please explain

Is substituted collateral always verified before original collateral is released Yes No

Is negotiable collateral kept under dual control Yes No

If YES, please explain procedures

For the previous two years, indicate the amount of loans that are

90 days or more past due R _____ R _____

Non accruals R _____ R _____

Does the Board of Directors or a Loan Committee review all loans made Yes No

If NO, how is the loan review function accomplished

Annexure E: Corporate Finance/Merger and Acquisition Services

Deal	Start date	End date	Market capitalisation of acquiring firm	Market capitalisation of acquired firm	Bid price	Outcomes

(For confidentiality reasons if a transaction has not yet been concluded and contains information deemed sensitive for public consumption, do not disclose the name of the transaction when completing this section of the proposal)

Does the firm manage on behalf of a third party:

Share incentive schemes Yes No

Share option pools for management Yes No

Listing and delisting of debt instruments Yes No

Any other support services Yes No

Please list

How long has the firm been involved in corporate finance transactions?

Key personnel

Name	Qualifications	Experience

Has the firm been involved in the listing/delisting of companies on the JSE or other stock exchange? Yes No

Annexure F: Property Fund Managers

Value of assets under management/Company Market Capitalisation _____

Investment objectives of the fund and provide expected returns for unit holders:

% holding per sector	Commercial	%
	Office	%
	Residential	%
	Hospitality	%
	Other	%
		100%

Activities undertaken by the Proposer and subsidiaries

Property Management

Property administration	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Letting	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Client retention and renewals	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Rent collection	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Facilities management (cleaning, landscaping, security, electrical/mechanical services, air condition)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Property Asset Management

Management of the Portfolio of assets of the fund	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Portfolio Reporting	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Monitoring of monthly/annual returns	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Marketing services	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Investment advice and market research	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Valuations of assets (land, building, plant and machinery)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Other (specify)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Property Development

Due diligence for property acquisition or new development	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Project management of new developments, refurbishments and extensions (construction risk)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Other (specify)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
South African Exposure	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
African Exposure	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Other (specify) _____	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Vacancy levels

Last year	Current year	Next 12 months

Provide debt maturity profile for the next 24 months as a percentage of total debt

Current 12 months	Next 12 months

Details of the independent Trustee appointed to look after the interests of debenture holders.

Please provide a copy of the debenture trust deed.

Name _____

Qualifications _____

Years of service _____

Annexure G: Trust Companies

Does the Proposer provide trustee and/or fiduciary services to clients? Yes No

Does the service include the creation registration and management of trusts and/or other SPVs

Are Employees required to, as representatives of the insured, act as trustees of any of these trusts or SPVs? Yes No

Does the insured require cover for the individual employees as note above Yes No

Provide minimum requirements such as qualifications and experience for appointment of these Employees

Please confirm internal procedures to monitor the activities of these employees

Where and how are these entities housed?

Please provide details of the financial and accounting procedures in place and full compliance with the Trust Property Control Act or similar applicable legislation?

Annexure H: Commercial and Retail Banking

State maximum value of	Head Office	Main Branches	Other Locations
Bearer of negotiable securities			
Cash, bullion, precious stones and similar interests			

State maximum value of	Head Office	Main Branches	Other Locations
With any cashier			
Entire counter of any one location			

State maximum amount of cash, bearer and negotiable securities in transit at any one time	Head Office	Main Branches	Other Locations
By armoured motor vehicle			
By messengers			

Are the Armoured Motor Vehicle or cash / asset in transit contractors or carriers held totally liable for all losses whilst your cash and bearer and negotiable securities in transit are in their possession Yes No

Is joint custody established and maintained for the safeguard of Property while in safes or vaults Yes No

All keys to safes and vaults Yes No

Codes, ciphers and test keys Yes No

Is dual control established and maintained or the handling of All types of securities, negotiable and non-negotiable instruments, unissued and blank forms Yes No

The reserve supply of official cheques, drafts and unissued travellers cheques Yes No

Dormant accounts of depositors Yes No

Vaults/Strong Rooms and Safes	Head Office	Main Branches	Other Locations
Are there vaults, strong rooms or safes on the premises			
Are they equipped with: • A dial combination lock			
• Time lock			
• A lockable day gate			
Are the walls, floors, and ceilings of reinforced concrete and lined with steel			
Thickness of walls			
Are doors of arc, torch and drill resistive materials			
Do they have an anti-explosive device in the doors			

If NO to any of the above please describe alternative method or type of protection

Doors, Windows and Alarms	Head Office	Main Branches	Other Locations
Are all doors fitted with substantial locks			
Are all windows fitted with substantial locks or barred			
Are there alarm systems against breaking and entering, robbery or theft			
Are they connected to:			
• Central Station			
• Police Station			
• Elsewhere (describe)			

Teller Positions	Head Office	Main Branches	Other Locations
Are there alarm systems against robbery			
Does each teller have a robbery alarm button or pedal			
Are tellers' positions protected by anti-bandit glass			
Are tellers' positions separated from the rest of the Institution Hall by a suitable partition with doors kept locked during Institution hours			
Are all cashiers cash holdings taken to safe/vault when vault is closed			
Are cashiers provided with "Bait" or "Decoy" money			

"Bait" money consist of currency notes, the denomination, serial numbers and serial years of which have been recorded and verified by a second Employee and left in a safe place. Such "bait" money should be given to cashiers to be handed out only in the event of robbery

Guards	Head Office	Main Branches	Other Locations
Do Police patrol and inspect premises			
Do you have armed guards			
• By day			
• By night			
Are they provided by			
• Police			
• Agency			
• The Institution itself			
Are they protected by bullet proof cages			
How many watchmen do you employ			

Transit

Does the Proposer transport property including cash securities or is this outsourced to a specialised security company Yes No

Please confirm the types of property transported

How are own transits conducted i.e. via unmarked motor vehicle, on foot etc.

Number and value of these transits per annum

Average amount per conveyance and per container

Please confirm the largest individual transit

How far in advance staff members are made aware of the routes and amounts carried prior to leaving the premises

How often are staff members circulated between other positions

How are these employees screened prior to appointment

What security measures are in place to protect the staff member and property

If the services of a professional transit operator are utilised, are there any contractual limitations between the proposer and the assets or cash in transit service provider Yes No

Please provide a copy of the relevant clauses

Are these waivers or limitations restricted to Negligence or does it also include waivers linked to any fraudulent activities by the service provider or its staff members or employees Yes No

Please provide a copy of the relevant clauses

Please specify other protection devices such as: camera systems, electrical money traps or any other security measures not mentioned herein

Annexure G: North America

Subsidiary	Activities	% owned

Listings on any North American exchanges

Please provide copy of the latest 20-F filing or similar filing made to US regulatory authorities

Details of American Depository Receipts (level, value, ratio)

Gross assets and turnover in North America

Details of any local policies

If any stocks or shares are traded in the form of ADR's please advise

Whether they are sponsored or unsponsored

What type (level or restricted)

The market value

The number of ADR shareholders

What percentage of market capitalisation is owned by US citizens

On what date was last offer/tender issue made

Was the offer and is the company compliant with all provisions of:

The United States Securities Act of 1933

Yes No

The Securities Exchange Act of 1934

Yes No

The Sarbanes Oxley Act of 2002

Yes No

Has a 20-Filing been made to the US Regulatory Authorities

Yes No

Annexure J: Social Engineering

Description

Social Engineering refers to the various scenarios where an employee is deceived into transferring funds based on believing the sender of the request is a legitimate member of staff.

A. Customer, Clients and Vendor Requests

1. What procedures do you have in place to authenticate the validity of:

a. Requested changes to a third party vendor or customer bank account information held on record?

b. Customer/client instructions to direct funds to a third party bank account recipient

If a "call back" is required, is this to a previously established number (i.e. one on record for the vendor or customer and not the contact information contained in the communication requesting a change to account details or a transfer)?

Yes No

2. Are transfer requests or bank information changes ever accepted just via electronic communications?

Yes No

If YES, what additional controls are in place to ensure that such requests are genuine and from an authorised person?

3. Is there any system in place to flag and seek additional sign off or confirmation for fund transfers in respect of those which are:

a. Out of State/Country

Yes No

b. To recipients in known high risk jurisdictions (e.g. China)

Yes No

c. Over a certain value

Yes No

(If Yes, at what value are transactions subject to such controls)

R

d. Unusual or inconsistent with previous transfer behaviour

Yes No

4. Are controls outlined above equally applicable VIP/High Net Worth customers?

Yes No

5. How does the Insured check/audit that any required authentication process is happening in practice?

B. Internal Requests

1. What procedures are place to validate the authenticity of what appear to be internally generated fund transfer requests?

2. Would procedures set out in 1. above apply to requests purporting to have come from the Executive Management (CEO/CFO, etc.)?

C. Training and Education

1. What education/awareness programmes do you undertake to make employees aware of the risk of Fund Transfer Identity Deception Fraud?

Please provide brief details of the main areas of guidance given and those who received the training.

2. Are there any additional measures not outlined above which are used to manage risk in respect of Fund Transfer Identity Deception Frauds?

3. Do you have a company policy on reporting of Fund Transfer Identity Deception Frauds and log such instances? Yes No

If Yes, please provide details

D. Loss Record

1. Has your organisation been the victim of a fraud where it has been deceived as to the identity of the person initiating a funds transfer request in excess of ZAR1m Yes No

If Yes, please provide details

2. Has your organisation identified and prevented a fraud described above in the last 12 months? Yes No

If Yes, please provide details
