

Beazley | Financial Institutions –
Broker Dealer/Securities Dealer

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Please provide with this proposal form the most recent copies of the following documents:

- Proposer’s audited annual report and accounts
- Organisation structure chart
- Biographies of the principal directors
- Trade error log
- Any supplementary information which is material to the response of the questions

Proposer information

1. Name of the Proposer:

2. Principal address:

3. Website address:

4. Date of establishment: dd/mm/yyyy / /

5. a. Are there any shareholders who own more than 10% of the issued shares in the Proposer? Yes No
 b. If ‘Yes’, please provide details of the shareholders and the percentage of shares held:

6. Please state the total number of employees and offices in each location:

	Employees	Offices
Africa		
Arab States		
Asia		
Canada		
Caribbean		
Central and Eastern Europe		
South America		
Rest of World		
Western Europe		
UK		
USA		
Total		

Activities

7. Please state the total revenue figure from the Proposer's last audited financial statement:

8. Please state the percentage split of revenue:

Proprietary trading	%
Third party trading	%
Total	100%

Executionary	%
Advisory	%
Total	100%

Retail	%
Institutional	%
Other	%
Total	100%

9. Please state the percentage split of third party fee income:

	Percentage split
Commodities	%
Cryptocurrencies	%
Debt instruments	%
Derivative instruments – hedging	%
Derivative instruments – speculative	%
Emerging markets	%
Foreign exchange	%
Listed securities	%
Real Estate / Property	%
Unlisted securities	%
Other	%
Total	100%

Please provide details of 'Other' revenue producing activities:

10. Please state the average daily trading volume:

11. Please state the average trade size in the last 12 months:

12. Please state the largest trade size in the last 12 months:

Trading controls

13. Does the Proposer have regularly reviewed and updated controls and procedures in place to ensure the following:
- | | | |
|---|-----|----|
| a. accuracy of transactions | Yes | No |
| b. trading limits are adhered to and monitored independently | Yes | No |
| c. segregation between front and back office functions | Yes | No |
| d. recognition of any material trading losses within a reasonable timeframe | Yes | No |
| e. breaches are identified immediately | Yes | No |
| f. unauthorised trading or trade errors are detected immediately | Yes | No |

If 'No', to any of the above, please explain:

14. Are all trading counter-parties independently monitored and approved for credit worthiness and limits on at least a monthly basis? Yes No

15. Are all trades entered immediately? Yes No

If 'No', please state the time frame:

16. Do you allow remote trading? Yes No

If 'Yes', please provide control details:

17. Are all trade confirmations (counter-party side) independent from the trading function? Yes No

18. Is back office confirmation of trades with counter-parties done on the same day as the trade? Yes No

19. How often are trading records reconciled?

20. Does the Proposer's system monitor for any unusual trading activity? Yes No

21. Are all trading conversations recorded? Yes No

22. Do you offer on-line trading? Yes No

If 'Yes',

- a. are all transactions recorded? Yes No

- b. how long are records maintained?

- c. have you implemented multi-factor security authentication for each account? Yes No

23. Does the Proposer’s computer system automatically identify & reject (or highlight) a transaction that does not involve:
- | | | |
|----------------------------------|-----|----|
| a. an approved counterparty? | Yes | No |
| b. an approved product line? | Yes | No |
| c. an approved authority levels? | Yes | No |
24. Does the Proposer maintain a written authorisation file for each trader that specifies limit, product and counterparty? Yes No
25. Does your system automatically reject any trades which are outside of a trader’s authority? Yes No
26. Has the Proposer received any complaints in the last 24 months? Yes No
- If ‘Yes’, please provide details:

Risk management

27. a. Is there an agreed internal audit plan? Yes No
- b. Have all material recommendations arising from the internal audit plan been implemented? Yes No

If ‘No’, to either of the above, please provide details:

28. a. Please state the name of the external audit company used:
- b. Have all recommendations made by the external audit company been implemented? Yes No
- If ‘No’, please provide details:

29. a. Please state the Proposer’s primary regulator:
- b. When was the Proposer’s most recent regulatory review?
- c. Have all recommendations arising from the most recent regulatory review been implemented? Yes No
- If ‘No’, please provide details:

- | | | |
|---|-----|----|
| 30. Does the Proposer have compliance procedures to ensure all staff comply with the regulatory rules, principles, codes and guidelines? | Yes | No |
| 31. Are all new services and products subject to an approval process that includes sign off from the business unit manager, compliance and legal? | Yes | No |
| 32. Does the Proposer have a business continuity plan that is regularly reviewed, updated and tested? | Yes | No |
| 33. Is there an IT cyber security plan in place that is regularly reviewed, updated and tested? | Yes | No |
| 34. Are the duties of each employee arranged so that no one employee is permitted to control any transaction from commencement to completion? | Yes | No |
| 35. Is there a social engineering fraud risk management strategy in place? | Yes | No |

If 'No', to questions 30 to 35, please explain:

Claims information

36. Please read the following statements and confirm as indicated below:

- a. No claim, proceeding or demand has been made or brought against the Proposer or any of its directors, officers or employees in the last five years (whether insured or not);
- b. The Proposer or any of its directors, officers or employees have not been the subject of any regulatory, administrative or governmental investigation in the last five years (whether insured or not);
- c. No crime losses have been sustained by the Proposer in the last five years (whether insured or not);
- d. The Proposer, after enquiry, is not aware of any act, error, omission, event, circumstance or incident which may give rise to a claim, proceeding or demand or any regulatory, administrative or governmental investigation or crime loss.

All the statements above are true and accurate: Yes No

If 'No', please provide details below or on a separate sheet:

Important notice

Before commencement of any insurance policy, the Proposer is required to make a fair presentation of the risk in accordance with the Insurance Act 2015.

The Proposer must disclose all material circumstances which the Proposer knows or ought to know or, failing that, has given us, Beazley the Insurer, sufficient information to put a prudent insurer on notice that it needs to make further enquiries for the purpose of revealing those material circumstances.

A material circumstance is one which would influence a prudent insurer's judgement of the risk.

If the Proposer has any questions regarding the duty to make a fair presentation of the risk then please contact your broker for further information.

Declaration

It is declared that the Proposer has made a fair presentation of the risk. This declaration is signed by the director or officer who is responsible for arranging insurance on behalf of the Proposer.

Signature:

Position:

Date: / /

This proposal form should be signed no earlier than 30 days prior to inception of the policy.

Data protection notice

Beazley collects and uses information (including any personal data) provided by the Proposer in order to consider providing an insurance quote for the Proposer and any other entities or individuals intended to be insured.

If Beazley needs to process or obtain any special category data not provided by the Proposer within this proposal form then Beazley will seek consent from the Proposer before doing so. If the Proposer is providing any personal information on behalf of an individual, then the Proposer must inform that individual of this notice.

Beazley may share the information collected with a number of third parties such as agents, brokers, reinsurers, regulators and law enforcement agencies. Beazley will only disclose any personal information to the extent required or permitted by law.

Beazley's privacy notice is available [here](#)

If the Proposer or any individual wishes to contact Beazley regarding their data and rights then please contact us on DPO@beazley.com