

1 | FUND INFORMATION

- 1 Exactly how - in numbers - is the fund/s performing? Provide a split by portfolio manager of the FUM, the performance of these FUM and the performance of the benchmark. What controls are in place to ensure that mandates are not breached? How often do they receive reports from the portfolio managers and how often are investment performance communicated to the clients?

- 2 Regarding all fund management - full details of any regulatory/customer complaints

PLEASE PROVIDE A GENERAL NARRATIVE ON:

- The frequency of communication with customers and the methods of communication

- Regarding the engagement/mandate letter, has a review been undertaken to ensure that no performance guarantees are inadvertently provided?

- Prospectuses/offering documents - what process is undertaken to ensure full risk disclosure?

- Regarding investment restrictions - please advice on the ongoing monitoring process that is in place to ensure that there aren't any breaches?

- Please comment on the general performance of the funds (we need updated figures)

- Total values of the funds under management and types of securities Invested in split by % and geographically. (ARE ALL OF THE FUNDS INVESTED IN SA?)

THE POWER OF KNOWLEDGE

- Please provide split between discretionary/non-discretionary.

- Please provide details of any contractual Indemnities given in relation to investment management activities.

3 Investment and returns - latest updated information on all funds/classes.

- 4 There are formal trading limits and dealing limits in place - are there formal trading policies in place for all aspects of trading? Please get the client to obtain the following:**

(A) MANAGEMENT AND SUPERVISION

SEQ	QUESTION	ANSWER
1	Number of locations, number of people trading at each location.	
2	Overall trading limits by portfolio and issues.	
3	Transaction limits for traders	
4	Periodic reviews during trading day.	
5	Identify and explain monitoring system	
6	Process to periodically and independently monitor and approve trading counter-parties (credit worthiness) and limits.	
7	Trade confirmation processes (counter party side) and independence from trading functions.	

(B) ACCESS TO TRADING SYSTEMS

SEQ	QUESTION	ANSWER
1	Physical access controls to trading and terminals.	
2	Data access for record keeping systems	
3	Access restrictions for "after hours" trading.	
4	Trading systems/software	

(C) TRADE EXECUTIONS

SEQ	QUESTION	ANSWER
1	Timeliness of back office confirmation of trades with counterparties.	
2	Trade exception processing routines and related reporting of exceptions	
3	Frequency and effectiveness of reconciliation of trading records.	
4	Independence of trading results reporting	
5	Separation of duties within trading and real time monitoring of traders by trading supervisors and ensuring that trading limits are in compliance.	

SEQ	QUESTION	ANSWER
6	Tracking of 'anomalies' (non-conforming trades) risk Management dept and internal audit.	
7	Management's follow up processes when 'anomalies' are discovered by client, counter-party and/or independent evaluation processes.	

(D) TRADE REPORTING

SEQ	QUESTION	ANSWER
1	Timeliness and distribution of management reports on trading activity and exceptions.	

(E) COMPLIANCE FUNCTIONS

SEQ	QUESTION	ANSWER
1	Methods used to track employee accounts.	
2	Methods used to track/identify unusual trading activity (churning) and suitability etc. for customers	
3	Methods used to establish new accounts with trading parties.	
4	Compliance monitoring practices for traders 'lifestyles' and own-account trading.	
5	Role of internal audit regarding trading for personal accounts	

(F) CONTROLS

SEQ	QUESTION	ANSWER
1	Are all trading conversations recorded?	
2	On-line trading? If so, recorded? How long are records maintained?	
3	Can traders trade at home or from other remote locations? If so, describe controls.	
4	Are all trades entered immediately into a system or within a certain time frame?	
5	Does company's computer system automatically identify & reject (or highlight) a transaction that is not. A. With an approved counterparty? B. Within an approved product line? C. Within approved authority levels?	

(G) HUMAN RESOURCES

SEQ	QUESTION	ANSWER
1	Recruitment and screening of trading personnel.	
2	Regulatory requirements for traders.	
3	Training (in general and in new securities as they are added).	
4	Remuneration. Does institution maintain written authorization files for each trades	

(H) LOSSES

SEQ	QUESTION	ANSWER
1	Unauthorized trading losses (or other non-loss incidents) within last five years?	
2	If so, what was response (e.g. fines trader, notified client, etc).	
3	Any regulatory fines, penalties or recommendation regarding trading in last 3 years?	

The undersigned, an authorized officer of each proposed Insured, and on behalf of each proposed Insured, further warrants that the proposed Insured shall notify the Insurer in writing, as soon as practicable, but not later than within 30 days, if any of the information described above or in any related schedules, changes or becomes incomplete. The proposed Insured agrees that if it knowingly fails to disclose any information that is responsive to these questions, then the Insurer will exclude from our coverage, any claim or action arising directly or indirectly from the information that was not provided. The proposed Insured agrees and acknowledges that by signing this questionnaire, neither it nor the Insurer is bound to complete the insurance. The proposed Insured agrees that this questionnaire shall be part of the application and contract, should the Insurer issue a policy, this questionnaire will be attached to and become part of the policy. All written statements and materials furnished to the Insurer in conjunction with this application are hereby incorporated by reference into and made a part of this application. The undersigned declares that to the best of his or her knowledge, the statements set forth herein are true.

DECLARATION

Signing this proposal form binds neither the proposer to complete this insurance, nor does it bind the insurer to accept the proposal. It is agreed that all written statements and attachments furnished to the insurer in conjunction with this proposal are hereby incorporated by reference into this proposal and made part thereof. It is understood and agreed that the insurer has relied upon this proposal and attachments, which shall be the basis of the insurance contract.

The undersigned is an authorized signatory of the Proposer and certifies that reasonable inquiry has been made to obtain the answers herein which are true, correct and complete to the best of his/her knowledge and belief. We undertake to inform the insurer of any material alteration to these facts, whether occurring before or after completion of the insurance contract.

.....
NAME

.....
CAPACITY

.....
SIGNATURE OF THE PROPOSER

.....
DATE DD/MM/YYYY

BROKER DETAILS

Broker:

Contact Person: Tel:

Email: Fax number: