

Management Liability Proposal

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239 545



You must read this notice before you complete the application form.

Duty of disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Claims made

Sections 1,2,3 and 5 of this Policy operate on a 'claims made and notified' basis. This means that the Policy covers you for claims made against you and notified to us during the Policy Period.

The Policy does not provide cover in relation to:

1. acts, errors or omissions actually or allegedly committed prior to the retroactive date of the Policy (if such a date is specified);
2. claims made after the expiry date of the period of insurance even though the event giving rise to the claim may have occurred during the Policy Period;
3. claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy'
4. claims made, threatened or intimidated against you prior to the commencement of the Policy Period;
5. facts or circumstances of which you first became aware prior to the Policy Period, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this Policy; and
6. claims arising out of circumstances noted on the proposal form for the current period of insurance or any previous proposal form.

Where you give notice in writing to us of any facts that might give rise to a claim against you as soon as reasonably practical after you become aware of those facts but before the expiry of the Policy Period, you may have rights under section 40(3) of the *Insurance Contracts Act 1984 (Cth)* to be indemnified in respect of any claim subsequently made against you arising from those facts notwithstanding that the claim is made after the expiry of the Policy Period. Any such rights arise under the legislation only. The terms of the Policy and the effect of the Policy is that you are not covered for claims made against you after the expiry of the Policy Period.

Privacy

Our Privacy Policy describes how we collect, disclose, store and use personal information as well as how to access it, correct it or make a complaint. We use personal information to issue, administer and manage products and provide services. You can view our Privacy Policy at www.qbe.com.au/privacy, or to obtain a free copy phone us on 133 723 or ask one of our authorised representatives or service providers.

We may share personal information with other QBE Group companies, our authorised representatives and service providers, each of which may be based outside of Australia.

By giving us personal information you consent to us collecting, disclosing, storing and using it in accordance with our Privacy Policy. If you give us someone else's personal information you confirm you've obtained their consent to do so.

If you don't provide all of the personal information we've requested, we may be unable to issue, administer or manage products or provide services.

Management Liability Proposal

QBE Insurance (Australia) Limited ABN 78 003 191 035 AFSL 239 545



IMPORTANT: Please answer ALL questions fully. If there is insufficient space please provide details on your letterhead. Where provided, tick (✓) appropriate box to indicate answer.

Management Liability

For any Australian domiciled Private "Pty Ltd" company

Management Liability for non-profits

For any Australian domiciled incorporated entity which operates on a "not-for-profit" basis

Details of the Policyholder

1. (a) Policyholder Name

(b) ABN number

2. Contact Details

Street Address

Suburb

State

Postcode

3. Please describe the industry/business activities of the Company:

4. Are you a Private, Not for Profit, Partnership, Association, Sole Trader or Other. Please state:

(a) Is the Policyholder a subsidiary of another company? Yes No

If "Yes", please state:

(b) The parent company name in full

(c) The country of registration

In the questions below a reference to "Company" means the Policyholder and all of its subsidiaries. "Subsidiary" means any privately-held entity, other than a partnership or joint venture over which, either prior to or at the inception of the Period of Insurance, the Policyholder has the capacity to determine the outcome of decisions about the entity's financial and operating policies.

5. Has the Company carried on business for more than 24 months? Yes No

6. Company's turnover:

(a) For the prior financial year (\$)

(b) For the purpose of calculating Stamp Duty please provide a split of the Company's turnover in each State and Territory as follows:

NSW %	VIC %	QLD %	SA %	WA %	TAS %	NT %	ACT %	O/S %
<input type="text"/>								

(c) For the current financial year (estimated) (\$)

7. Number of employees

Human Resources Management

8. Does the Company have written management guidelines for termination of employment? Yes No

9. Number of locations

10. Has there been, or will there be, any redundancies in the past/next 12 months? Yes No

Fraud Prevention Controls

11. Does the Company segregate duties so that no one individual can control any of the following activities from commencement to completion without referral to others?

(a) Signing cheques, authorising payments or issuing funds transfer instructions above \$5,000 Yes No

(b) Refund of monies or return of goods above \$5,000 Yes No

(c) Reconciling bank statements Yes No

Overseas Cover

12. Do you operate in Australia / New Zealand only? Yes No

(a) If "No", please list the countries in which you operate:

(b) Are any of your Operations in the USA or Canada? Yes No

(i) If "Yes", do you want this Policy to provide cover for any of the following in the USA or Canada? Yes No

If "Yes", please state whether the company has any of the following in the USA or Canada:

(1) Any past, present or prospective Employees; or Yes No

(2) Any past, present or prospective capital or debt raising; Yes No

(3) Any assets? Yes No

If "Yes" to any of the above questions please provide full details using a separate attachment.

Insolvency Cover

13. (a) Are your current assets greater than your current Liabilities? Yes No

(b) Do you have any annually positive cashflow? Yes No

Please note: This Policy automatically provides cover for claims arising out of the actual or alleged insolvency of the Company.

If you have answered "No" to either (a) or (b) please provide the following details:

(c) Do you have any financial statements for the Company which have been audited or reviewed by an external accountant in the last 12 months? Yes No

If "No", we are unable to provide cover for claims arising out of the actual or alleged insolvency of the Company. If "Yes", please complete the following questions based on the Policyholders latest audit/review financial statements:

(d) What is the balance date for the financial statements?

(e) Total assets \$

(f) Current assets \$

(g) Total Liabilities \$

(h) Current Liabilities \$

(i) Total borrowings \$

(j) Net profit after tax/(loss) \$

(k) Did the Company make a profit after tax in the last financial year? Yes No

(l) Has there been any change in the financial position or capital structure of the Company or is there any matter that is not shown in the latest financial statements that may be materially affect the financial position set out in those documents?

If "Yes", please provide full details using a separate attachment

Please Note: If you require solvency cover for an entity that falls within the definition of subsidiary, but for which the financials are not consolidated into the Policyholder's financial statements, then you need to submit the financials for any such entity separately.

Outside Directorship Cover

14. Do you want the Policy to provide cover for persons holding outside directorship positions? Yes No

Please note: This Policy provides automatic cover to those Insured Persons who hold outside directorship positions with private companies and not for profit companies.

If "Yes", please provide:

(a) Full name of the Outside Entity

(b) Type of Entity

(c) Is solvency cover required for this outside directorship position? Yes No

If "Yes", please enclose financial statements

Details of Insurance

15. (a) Is this proposal to renew an Existing QBE Management Liability Insurance Policy? Yes No

(b) is there a specific date you wish to commence this Policy? Yes No

If "Yes", on what date?

16. What limit(s) of liability are quotations required for?

\$250,000

\$500,000

\$1 million

\$2 million

\$3 million

\$4 million

\$5 million

\$10 million

Other (\$)

17. What Crime cover sub-limit(s) are quotations required for?

\$100,000

\$250,000

\$500,000

Cover not required

Other (\$)

Claims Information

18. In the last five (5) years, have there been any claims made against the Company, or its directors or employees? Yes No
If "Yes", please provide full details using a separate attachment.
19. Has any director or officer of the Company ever had proceedings (civil or criminal) instigated against them alleging misconduct or breaches of the law in their capacity as a director or officer of a company? Yes No
If "Yes", please provide full details using a separate attachment.
20. In the last five (5) years, has the Company suffered any loss as a result of fraud or dishonesty? Yes No
If "Yes", please provide full details using a separate attachment.
21. Are any of the directors or employees of the Company aware of
(a) any facts which might give rise to a claim being made against the Company, or its directors or employees? Yes No
If "Yes", please provide full details using a separate attachment.
(b) any facts which could cause a reasonable person to think that the Company might suffer a direct financial loss as a result of Fraud or Dishonesty? Yes No
If "Yes", please provide full details using a separate attachment.
22. Has an insurer ever refused to insure, cancelled or refused to renew an insurance Policy for the Company? Yes No
If "Yes", please provide full details using a separate attachment.

Declaration and authorisation

I confirm that I am authorised by the Company and its Directors to complete, sign and submit this proposal of the Company and its Directors.

On behalf of the Company and its Directors I confirm that:

- I have read and understood the 'Notice to the Company' on page one of this proposal;
- I have made all necessary inquiries into the accuracy of the responses given in this proposal;
- the statement and particulars given in this proposal are true and correct and no material facts have been omitted, misstated or suppressed.

I agree that should any of the information given by me alter between the date of this proposal and the inception date of the Policy that this proposal relates, I will give immediate notice to QBE.

Name:
Title:
Signed: Date (dd/mm/yyyy)

Please return the completed application form to your financial services provider.
This Policy is underwritten by QBE Insurance (Australia) Limited ABN 78 003 191 035