



# Corporate Advantage – Management Liability Insurance Proposal Form

- Answer all questions. Blanks and/or dashes, or answers 'known to underwriters/brokers' or N/A are not acceptable and will delay consideration of this proposal.
- If there is insufficient room to complete a question, please attach a signed and dated addendum.
- Any documents attached to the proposal form are part of this proposal.

## Corporation details

1. Full legal name of the Corporation

ABN

Are you registered for GST purposes?

No

Yes

What is your ABN?

2. Principal address

Postcode

3. Nature of business (including subsidiaries)

4. Date the Corporation commenced the business (as referred to above)

5. Legal status of the Corporation?

Listed

Private

Non-Profit

Unlisted

Co-op/  
Mutual

Other

Please specify

6. Is the Corporation a subsidiary of another entity?

No

Yes

Please state name of the ultimate holding company.

7. Is there any shareholder holding, directly or beneficially, 10% or more of the ordinary share capital of the Corporation?

No

Yes

Please provide the name of the shareholder and the percentage held.

8. Has there been any acquisition or disposal, merger or takeover undertaken by the Corporation or any of its subsidiaries in the last 24 months?

No

Yes

Please provide details.

9. Does the Corporation or any of its subsidiaries act as a manager of any fund or property for or on behalf of any third party?

No

Yes

Please provide details.

10. Is there any subsequent information of a material nature not disclosed in the attached financial statements (refer "documents to be attached") that could affect the financial position, capital structure or operation of the Corporation?

No  Yes  *Please provide details.*

### Director/Executive Officer details

11. a) Are any of the directors currently members of any professional association (e.g. Australian Institute of Company Directors)?

No  Yes  *Please provide details.*

- b) Has any director or executive officer been deregistered by any professional association?

No  Yes  *Please provide details.*

12. Does the Corporation have an audit or compliance committee?

No  Yes

13. Has any director or executive officer of the Corporation been declared bankrupt or entered into a deed of assignment, composition or a scheme of arrangement with creditors?

No  Yes  *Please provide details.*

14. Has any director or executive officer of the Corporation been a director of an organisation placed in administration, a scheme of arrangement, receivership, liquidation or provisional liquidation?

No  Yes  *Please provide details.*

15. Please provide details for each Board Member of the Corporation.

Name of each Board Member of the Corporation	Professional Qualifications	Date Appointed	Years Qualified or Years Experience as a Director

### Employment practices details

16. Total personnel numbers as at June 30 for the last 3 years.

Personnel Category	200__	200__	200__
Full-time			
Part-time			
Temporary			
Contractors			
Total personnel			
Annual staff turnover			

17. Please state the number of employees in the following salary ranges:

\$0 - \$35,000  \$35,001 - \$100,000  Over \$100,000

18. Did the Employer initiate any termination/s of employment of any staff within the last 2 years?

No  Yes  *Please state the reason for the termination/s and the number of full-time and part-time employees terminated.*


19. Does the Employer anticipate any terminations of employment of staff happening in the next 18 months?

No  Yes  *Please provide details.*

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20. Are written workplace policies in place regarding the following matters?

- (i) equal opportunity No  Yes
- (ii) sexual harassment No  Yes
- (iii) discrimination No  Yes
- (iv) procedures to be followed before the termination of employment of any staff member No  Yes

**Superannuation trustees liability**

21. Do any employees act in the capacity as a trustee of a Trust (superannuation fund) which is administered by the Corporation or any subsidiary company?

Yes  *Please proceed to question 22.*  
 No  *Please proceed to question 28.*

22. Name of the Trust (superannuation fund)

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23. Is the Trust an:

- Accumulation Fund
- Industry Fund
- Defined Benefits Fund
- Other  *Please provide details*

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24. Has the Trust received notice of non-compliance with relevant legislation?

No  Yes  *Please provide additional information.*

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25. Is an external investment manager used? No  Yes

26. Is an external fund administrator used? No  Yes

27. Please provide information in respect of the Trust (superannuation fund) for the latest two years as follows:

	200__	200__
Total Assets		
Total Members		

## Optional extensions fidelity cover

28. Does the corporation require fidelity cover?

Yes  Please select fidelity sum insured:  \$50,000  \$100,000  \$150,000  \$200,000

Please proceed to question 29

No  Please proceed to question 36

29. Does the Corporation and its subsidiaries segregate duties so that no one person can:

(a) request or authorise:

(i) expenditure or (ii) refund monies and

(b) sign cheques or return goods in respect of the same transaction?

No  Yes

30. Does the Corporation and its subsidiaries segregate duties and system passwords so that no one person can:

(a) request an electronic funds transfer and

(b) authorise release of a funds transfer in respect of the same transaction?

No  Yes

31. Is a counter signature required on all cheques or funds transfer instructions?

Yes  No  If No, by whom are they signed and to what monetary limit?

(a) Name

(b) Title

(c) Limit

32. Are all the Corporation and subsidiary bank accounts reconciled by someone not authorised to deposit or withdraw there from?

Yes  No  If No, how often?

33. Are all the monetary amounts of wages/salaries reconciled against personnel records on a monthly basis or quarterly basis for unusual or excessive payments?

No  Yes

34. Does the Corporation and its subsidiaries have a policy of all staff taking a minimum of 2 weeks uninterrupted annual leave at least annually?

No  Yes

35. Does the Corporation and its subsidiaries carry stock, raw materials or finished goods?

No  Yes  Is a physical stocktake or stock count of all items undertaken and reconciled against inventory records on a regular basis?

No  Yes

## Additional optional extensions

Please confirm which of the following extensions are required

36. **Outside Directorships Cover - Other than Non-Profit Organisations**

(Provides indemnity to Directors & Officers who currently represent the Corporation's interest in an organisation other than a non-profit entity)

No  Yes  Please provide a list of external organisations together with their most recent audited consolidated accounts and any claim details for each organisation.

37. **USA and Canadian Jurisdiction Cover**

No  Yes  A separate addendum will need to be completed.

## Additional optional extensions cont'd

Please confirm which of the following extensions are required

### 38. Pre-Acquisition Liability

(Provides retrospective cover for Directors & Officers of an acquired entity prior to it becoming a subsidiary of the Corporation)

No  Yes  *Please provide the name of any current subsidiary that existed prior to its acquisition by the Corporation and any claim details.*

### 39. Pollution Defence Costs

(Cover may be available; maximum limit \$1 million)

No  Yes  *A detailed questionnaire must be completed.*

### 40. Multi-year Run-Off after Merger, Consolidation or Sale

(This option is available for up to 7 years).

No  Yes

## Corporation insurance details and claims information

41. Has the Corporation or subsidiaries ever been refused this type of insurance, or had similar insurance cancelled, or declined to renew, or had any special terms imposed?

No  Yes  *Please provide details.*

42. If an insurance similar to that now requested had been, or were now, in effect would any claim which had been made, or which is now pending against any person, Corporation or any subsidiary company proposed for insurance, have fallen within the scope of such insurance?

No  Yes  *Please provide details.*

43. Within the last three years has the Corporation or any of its subsidiaries discovered or suspect any employee dishonesty or theft, burglary, robbery, destruction to property or forgery losses?

No  Yes  *Please provide details.*

44. Is any person, Corporation or subsidiary company proposed for insurance aware, after enquiry, of any circumstances or incidences which might give rise to any future claim or fidelity loss that would fall within the scope of such insurance?

No  Yes  *Please provide details.*

45. Has any person, Corporation or any subsidiary proposed for insurance been the subject of any complaint, suit, inquiry or notice of a hearing from any State, Territory or Federal regulatory body or any other party?

No  Yes  *Please provide details.*

46. Has there been, or is there now pending, any claim made against or prosecution of the Corporation or its subsidiaries?

No  Yes  *Please provide details.*

47. Limit of Liability

\$

## Corporation insurance details and claims information cont'd

48. Deductible:

- (a) Corporate Reimbursement
- (b) Directors & Officers

49. (a) If currently insured, list details of existing insurer

(b) Current Limit of Liability

(c) Period of insurance:

From  to

## Employee details

50. For Stamp Duty purposes, please provide a geographic breakdown of employee numbers of the Corporation.

NSW	QLD	NT	ACT	OVERSEAS
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
VIC	SA	WA	TAS	TOTAL
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## Documents to be attached

Please attach to this Proposal Form:

- (i) the audited consolidated financial statements and annual reports of the Corporation for the past two financial periods.
- (ii) the current audited accounts of the ultimate holding company, if applicable.
- (iii) the latest interim financial statements if the accounts referred to in (i) and (ii) above, are more than nine months old.
- (iv) list of current subsidiaries of the Corporation if not detailed in the Annual Report.

Please indicate the total number of additional pages attached to this proposal

## Declaration

I/We hereby declare that:

- the statements set forth herein are true and that we have not suppressed or mis-stated any facts.
- enquiry has been made of all directors and senior staff.
- should any of the information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, we will give immediate notice thereof.
- I/we agree this proposal, together with any other information supplied by us, shall form the basis of any contract of insurance effected therefrom.
- I/we acknowledge receipt of the "Important Notice" which was attached to this proposal. We have read and understood the contents of that notice.
- I/we acknowledge signing of the form does not oblige the Directors & Officers of the Corporation or CGU Professional Risks to enter into a contract of insurance.
- I/we authorise CGU Professional Risks Insurance, a division of CGU Insurance Limited, to collect or disclose any personal information relating to this insurance to/from any other insurers or insurance reference service.
- I/we have provided information about another individual (for example, an employee, or client), I/we declare that the individual has been or will be made aware of that fact and the section in the Policy on "The way we handle your personal information."

*continue next page*

## Declaration cont'd

It is important the signatories to the Declaration are fully aware of the scope of this insurance so that all questions can be answered. If in doubt, please contact your insurance broker since non-disclosure may affect an insured's right of recovery under the policy or lead to it being voided.

### Who is Required to Sign the proposal form declaration:

- a) Only one signature being that of the Chief Executive Officer (Managing Director) is required for all Non-Profit and Private Corporations.
- b) Two signatures being that of the Chief Executive Officer (Managing Director) and another Director are required for all Public Corporations (Unlisted), Co-operatives and Mutual Corporations.
- c) Three signatures being that of the Chairman, Chief Executive Officer, and Chief Financial Officer are required in respect of all Public Listed Corporations.

<b>Name</b>	<b>Name</b>	<b>Name</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Signature</b>	<b>Signature</b>	<b>Signature</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Title</b>	<b>Title</b>	<b>Title</b>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Date</b>	<b>Date</b>	<b>Date</b>
<input type="text" value="/ /"/>	<input type="text" value="/ /"/>	<input type="text" value="/ /"/>

## Insurance broker's details

Insurance broker's name

Account number

Address   
 Postcode

Phone  Fax

Contact name

**NSW Office**

Level 7 388 George Street Sydney NSW 2000  
PO Box H90 Australia Square Sydney NSW 1215  
Tel. (02) 8224 4655 Fax (02) 8224 4030

**Queensland Branch**

Level 12 189 Grey Street South Bank QLD 4101  
PO Box 1495 Milton QLD 4064  
Tel. (07) 3135 1566 Fax (07) 3135 1564

**South Australia Branch**

Level 4 150 Grenfell Street Adelaide SA 5000  
GPO Box 9902 Adelaide SA 5001 DX 394 Adelaide  
Tel. (08) 8425 6650 Fax (08) 8425 6592

**Victorian Office**

Level 4 CGU Centre 485 La Trobe Street Melbourne VIC 3000  
GPO Box 4609 Melbourne VIC 3001 DX 38206 Flagstaff  
Tel. (03) 9601 8700 Fax (03) 9602 5255

**Western Australia Branch**

Level 3 The Insurance Centre 46 Colin Street West Perth WA 6005  
PO Box 7018 Cloisters Square Perth WA 6850 DX 199 Perth  
Tel. (08) 9254 3750 Fax (08) 9254 3751

**CGU Professional Risks Insurance**

A Division of CGU Insurance Limited ABN 27 004 478 371. An IAG Company.



# An Important Notice to the Applicant 'Claims Made' Contracts of Insurance

Please read and retain in your file

The proposed insurance is issued on a "claims made" basis.

This means that the policy responds to:-

1. claims first made against the insured during the policy period and notified to CGU Professional Risks Insurance during that policy period, providing that the insured was not aware, at any time prior to the policy inception, of circumstances which would have alerted a reasonable person in the insured's position that a claim may be made against the insured; and
2. "claims circumstances" notified pursuant to Section 40 (3) of the *Insurance Contracts Act* which states:

*"where the insured gave notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of insurance cover provided by the contract".*

After policy expiry, no new claims can be made on the expired policy even though the event giving rise to the claim may have occurred during the policy period.

If during the policy period you become aware of circumstances which a reasonable person in your position would consider may give rise to a claim, and which you fail to notify to us during the policy period, we may not cover you under a subsequent policy for any claim which arises from these circumstances.

When completing the proposal you are obliged to report and provide full details of all circumstances of which you are aware and which a reasonable person in your position would consider may give rise to a claim.

It is important that you make proper disclosure (see **Duty of Disclosure**, below) so that your cover under any new policy with us is not compromised.

Pursuant to the *Insurance Contracts Act* your duty to disclose all relevant information is set out below.

## **Duty of Disclosure**

Before entering into a contract of general insurance, you have a duty, under the *Insurance Contracts Act*, to disclose to us every matter that you are aware of, or could reasonably be expected to be aware of, that is relevant to our decision about insuring you and if so, on what terms. You have the same duty to disclose these matters to us before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter -

- that diminishes the risk to be undertaken by us;
- that is of common knowledge;
- that we know or, in the ordinary course of our business, ought to know;
- as to which compliance with your duty is waived by us.

You should note that your duty continues after the proposal form has been completed until the policy is entered into, i.e. until the date we receive instructions to bind cover.

**Non-disclosure**

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning. It is therefore vital that you enquire of all entities comprising the insured, including senior staff, before completing the proposal form and before you sign any declaration confirming no change in the information disclosed.

**Retroactive Liability**

The proposed insurance may be limited by a retroactive date either stated in the schedule or endorsed onto the policy. Where the retroactive cover provided by the proposed policy is subject to such a date, then the policy does not cover any claim arising from actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

**Average Provision**

One of the insuring provisions of the proposed insurance may provide that where the amount required to dispose of a claim exceeds the limit of the sum insured in the policy then CGU Professional Risks Insurance shall be liable only for a proportion of the total costs and expenses. This shall be the same proportion of the total expenses as the policy limit bears to the total amount required to dispose of the claim.

**Surrender of Waiver of any Right of Contribution or Indemnity**

If another person or company is liable to compensate you or hold you harmless for part or all of any loss or damage otherwise covered by our policy, but you agree with that person or company (either before or after the inception of our policy) that you would not seek to recover any loss or damage from them, we will not cover you for this loss or damage.

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