# Directors and Officers Liability Proposal

## NOTICE TO THE APPLICANT FOR INSURANCE

**1. DISCLOSURE OF RELEVANT FACTS**

### 1. Your Duty of Disclosure

Before you enter into a contract of general insurance with the insurers, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurers every matter which you know, or could reasonably be expected to know, is relevant to the insurers’ decision whether to accept the insurance risk and, if so, on what terms. You have the same duty to disclose those matters to the insurers before you renew, extend, vary or reinstate a contract of insurance.

Your duty however does not require disclosure of a matter:

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

#### Non-Disclosure

If you fail to comply with your duty of disclosure, the insurers may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurers may also have the option of avoiding the contract from its beginning.

### 2. Claims Made Policy

This proposal is for a "claims made and notified" policy of insurance. This means that the policy indemnifies you for claims made against an insured and notified to the insurers during the period of insurance. The policy does not provide indemnity in relation to:

* claims arising from wrongful acts committed prior to the retroactive date of the policy (if such a date is specified);
* claims made, threatened or intimated prior to the commencement of the period of insurance;
* claims made after expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance;
* claims arising from facts or circumstances notified (or which ought reasonably to have been notified) under any previous insurance policy;
* claims arising from facts or circumstances noted on the proposal form for the current period of insurance or on any previous proposal form;
* claims arising from facts or circumstances of which you first became aware prior to the commencement of the period of insurance, and which you knew or ought reasonably to have known might to give rise to a claim under this policy.

### 3. Average Provision

The policy provides that if a payment in excess of the limit of liability available under the policy is made to dispose of a claim, the insurers’ liability for defence costs incurred with it’s consent shall be such proportion of the total defence costs as the limit of liability available under the policy bears to the amount paid to dispose of the claim.

### 4. Rights of Recovery

The policy does not cover liability, loss or damage in respect of which you have at any time foregone, excluded or limited a right of recovery.

### 5. Privacy Statement

#### Protecting your privacy

We are committed to protecting your privacy and the privacy of any personal information provided to us. We comply with the Australian Privacy Principles set out in the Privacy Act 1988. A full version of our ***Privacy Policy*** is available (see the link below) which sets out details about how we manage and what we do with your personal information.

**In summary**:

#### What personal information will we collect and why do we need it?

We may need to collect personal information from you so that we can provide you with the insurance services you are seeking from us.

#### How do we collect the personal information?

Information is primarily collected through brokers or directly from you. It might also be collected on occasion in person by investigators or to the officers or service providers of ours, in writing, by telephone and by other electronic communication channels.

We may need to obtain personal information from others to ensure that we are fully informed in relation to the issues that we need to address with regard to your insurance and any claim that you may make.

#### Who will see or have access to your personal information?

Unless we are required to provide your personal information to others by law, by court order or to administer or investigate an application for insurance or a claim, your information will only be seen or used by persons working within the Specialist Underwriting Agencies group of companies.

#### Security of Information

Our information systems and files are kept secured from unauthorised access and our staff and contracted agents and service providers have been informed of the importance we place on protecting your privacy and their role in helping us to do so. Information will be stored and disposed of in a secure environment, which may only be accessed by authorised personnel.

#### What if I want to check what personal information you hold about me?

We are happy to advise you what personal information we hold about you and share this information with you. This will be the case unless there is a relevant exception under the Privacy Act 1998 that applies.

#### Can I correct the information?

If you believe there are errors in our records about you, please let us know and we will be happy to investigate and correct any inaccuracies.

#### Cookies

Our website may use cookies to provide a better browsing experience. If you prefer not to have cookies collected, you can disable this option in your browser settings.

#### Direct Marketing

Apart from notifying you of our service offerings, we do not, without your consent, sell, rent, license or otherwise disclose your information to any party for the purposes of direct marketing.

#### Cross Border Storage

In order for us to provide our services, we may receive and share personal information with the Specialist Underwriting Agencies group of companies, third parties and we may also store that information on servers that are not in Australia. We will ensure that any party with whom we share personal information overseas will be required to comply with the Privacy Act 1988.

#### Further information

If you would like further information, please review our full **Privacy Policy** or if you have any complaints or concerns over the protection of the information you have given to us or that we have collected from others, contact the privacy officer at:

Specialist Underwriting Agencies Pty Ltd

255 Sandgate Road

Albion QLD 4010

Ph: 07 3624 9419

Fax: 07 3624 9433

Email: info@sua.com.au

## Important

Please answer all questions fully. If there is insufficient space in the form, please supply the details in a separate signed and dated attachment on the Insured’s letterhead.

### 1. The Company’s Details

(a) Full name of the Company:

|  |  |
| --- | --- |
|  | |
| A.B.N. | Date the company commenced business:    /    / |

(b) Address of the Company’s head office:

|  |
| --- |
|  |
| State:       Postcode |

(c) Describe the Company’s principal activities:

|  |
| --- |
|  |

(d) Please indicate the type of company:

|  |  |  |  |
| --- | --- | --- | --- |
| Public Listed company |  | Non-profit Organisation |  |
| Public Unlisted company |  | Co-operative |  |
| Private company |  | Licensed Club |  |

### 2. The Insured’s Details

Please list all the current directors:

|  |  |  |  |
| --- | --- | --- | --- |
| Name of Director | Professional Qualifications | Age | Date Appointed as Director |
|  |  |  | /    / |
|  |  |  | /    / |
|  |  |  | /    / |
|  |  |  | /    / |
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### 3. The Company’s Financial Position

(a) Has there been any change in the Company’s financial position or capital structure or is there any trend or event not reflected in the most recent annual report and financial statements attached to this proposal which might materially affect the financial position shown in those statements?

Yes  No

(b) Are there any reasonable grounds to believe that the Company will not be able to pay its debts as and when they become due and payable?

Yes  No

If the answer to any of the above is Yes, please provide details:

|  |
| --- |
|  |

(c) Please advise:

|  |  |
| --- | --- |
| Current assets | $ |
| Non-current assets | $ |
| Total Assets | $ |
| Current liabilities | $ |
| Non-current liabilities | $ |
| Total Liabilities | $ |
| Net Profit before tax | $ |

#### Financial Reports:

For listed companies, and all other companies with total assets exceeding $20 million, please attach a copy of the Company’s; annual report and financial statements (including the audit report) for the last two years: and last six month’s interim statement for listed companies.

### 4. Insured’s Claims History

(a) In the last ten (10) years, has there been or is there now pending any Claim against the Insured in their capacity as a director or officer of either the Company or any other entity (whether or not the Insured considers there is or was a liability)?

Yes  No

(b) Is the Insured, after enquiry, aware of any fact or circumstance which has the potential to give rise to a Claim against the Insured in their capacity as a director or officer of either the Company or any other entity?

Yes  No

If the answer to any of the above is Yes, please provide details:

|  |
| --- |
|  |

### 5. The Company’s Claims History

1. In the last ten (10) years, has there been or is there now pending any claim against the Company (whether or not it is considered there is or was a liability)?

Yes  No

1. Has there been or is there now pending any inquiry, investigation, examination or other similar process in relation to the Company’s affairs?

Yes  No

1. Is the Company, or the Insured, AFTER ENQUIRY, aware or any fact or circumstance which has the potential to give rise to any event described in (a) or (b) above?

Yes  No

If the answer to any of the above is Yes, please provide details:

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| --- |
|  |

### 6. Shareholder Information

Does any shareholder or associated group of shareholders own or control (either directly or beneficially) more than 15% of the Company’s share capital?

Yes  No

If the answer is Yes, please provide details:

|  |
| --- |
|  |

### 7. Merger, Acquisition or Takeover Activity

1. Has the Company been involved in any merger, acquisition, takeover or disposal in the last 3 years?

Yes  No

1. Is the Company considering any merger, acquisition, takeover or disposal?

Yes  No

1. Is the Company subject to any takeover attempt, or has there been any attempted takeover of the Company in the past 3 years?

Yes  No

If the answer to any of the above is Yes, please provide details:

|  |
| --- |
|  |

### 8. Listing or Capital Raising

1. Has the Company listed on any stock exchange or had any capital raising within the last twelve months?

Yes  No

1. Is the Company considering listing on any stock exchange or contemplating any capital raising within the next twelve months?

Yes  No

If the answer to any of the above is Yes, please provide details:

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| --- |
|  |

### 9. North American Operations

1. Does the Company conduct any business in the United States of America or Canada or their territories or protectorates?

Yes  No

If the answer is Yes, please provide the following information:

1. The total assets held in North America: $
2. The total revenue generated from North America $
3. Are the Company’s shares traded on any USA Stock Exchange?

Yes  No

1. Does the Company have any American Depository Receipts traded in the USA?

Yes  No

### 10. Insurance History

1. Does the Insured currently carry, or has the Insured ever carried, Directors and Officers Liability Insurance?

Yes  No

If the answer is Yes, please provide the following information:

|  |  |  |  |
| --- | --- | --- | --- |
| Insurer: |  | Expiry date: | /    / |
| Limit of liability: | $ | Deductible: | $ |

1. Has the Insured or the Company ever been refused this type of insurance, or had similar insurance cancelled, or had an application to renew similar insurance declined, or had special terms imposed?

Yes  No

If the answer is Yes, please provide details:

|  |
| --- |
|  |

### 11. Insurance Requirements

1. What Limit of Liability is required: $
2. What Company Reimbursement deductible is required $
3. Do you require cover for Employment Practices Liability:

Yes  No

If Yes, please complete separate EPL Questionnaire.

1. Do you require Company Securities Cover: (ASX listed companies only)

Yes  No

For the purpose of calculating stamp duty please state the number of staff located in each State, Territory or Overseas.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| NSW | VIC | QLD | SA | WA | TAS | ACT | NT | O/S | TOTAL |
|  |  |  |  |  |  |  |  |  |  |

## DECLARATION

I declare as follows:

1. I am authorised by the persons or entities applying for this insurance, to make this declaration.
2. I have read and understood the “Notice to the applicant for insurance” and the “Privacy Statement and Authority” in this proposal.
3. I have read this proposal and the accompanying documents and acknowledge the contents to be true and complete.
4. I understand that, up to the date of the commencement of the period of insurance, the Insured is under a continuing obligation to immediately inform AXIS of any material change in the information provided in this proposal and in accompanying documents.

Although the signing of this proposal does not bind the applicants to effect insurance, I acknowledge that the particulars and statements contained in this proposal and in the accompanying documents shall be the basis of the contract if a policy is issued. I also acknowledge that the proposal and the accompanying documents will be incorporated in the contract of insurance.

|  |  |
| --- | --- |
| Name of Business or Practice: |  |

|  |  |
| --- | --- |
| Signature of Principal or Director: |  |

|  |  |  |  |
| --- | --- | --- | --- |
| Name of signatory: |  | Date: | /    / |