



*PrivateEdge®
Management Liability Insurance
Proposal*

Important Notice

Claims-Made and Notified Insurance

This policy, issued by American Home Assurance Company, contains coverage on a **claims-made and notified** basis. This means that this policy only covers Claims (as defined) first made against you during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. This policy does not provide cover for any Claims made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those Claims being made against you.

Section 40(3) of the Insurance Contracts Act 1984 provides that where you gave notice in writing to the insurer of facts that might give rise to a Claim against you as soon as was reasonably practicable after you became aware of those facts but during the Policy Period, the insurer cannot refuse to pay a Claim which arises out of those facts, when made, because it was made after the Policy Period had expired.

This policy does not cover Claims arising out of, based upon or attributable to any:

- a) actual or alleged fact or circumstance, that prior to the Continuity Date, may reasonably have been expected by an Insured to give rise to a Claim; or
- b) as of the policy inception, prior or pending Claim or circumstance reported under any policy of which this policy is a renewal or replacement, or the same, continuous, repeated or related facts as those alleged in such prior or pending Claim or such circumstance.

Your Duty of Disclosure

Section 21 of the Insurance Contracts Act 1984 provides that before you enter into a contract of general insurance with an insurer, you have a duty to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, upon what terms. You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

However, your duty of disclosure does not require you to disclose matters:

- a) that diminish the risk to be undertaken by the insurer;
- b) that are of common knowledge;
- c) that your insurer knows or, in the ordinary course of its business, ought to know;
- d) as to which compliance with your duty is waived by the insurer.

This duty of disclosure continues after the proposal form has been completed up until the Policy Period commences.

Consequences of Non-Disclosure

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

Subrogation

This policy contains provisions which have the effect of excluding or limiting the insurer's liability in respect of a loss where you have prejudiced the insurer's rights of subrogation where you are a party to an agreement which excludes or limits insurer's rights to recover the loss from another party. You are hereby notified of the effect of these provisions.

Details of Proposer

1. a) Policyholder _____
 b) ABN _____
 c) Dun and Bradstreet Number _____
 d) If you intend to claim an Input Tax Credit for the premium paid for this policy, please specify the percentage of the premium you will be claiming: _____ %
 e) Is this a "Pty Ltd" Company? Y N

2. Policyholder's main office

Street Address _____

Suburb _____

State _____

Postcode _____

Telephone _____

Facsimile _____

Website _____

Email Address _____

3. Has the Policyholder carried on business for more than 24 months? Y N
4. a) Is the Policyholder a subsidiary of another company? Y N
 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 Policy Period, the Policyholder has the capacity to determine the outcome of decisions about the entity's financial and operating policies.

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

- | | | |
|--|---|--|
| <input type="checkbox"/> Construction | <input type="checkbox"/> Gambling Operations | <input type="checkbox"/> Jewelry/diamond merchants |
| <input type="checkbox"/> Warehousing | <input type="checkbox"/> Licensed Hospitality Premises | |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Underwriting Agency or Insurance Captive | |
| <input type="checkbox"/> Finance Company | <input type="checkbox"/> Health/Social Services/Medical Industry | |
| <input type="checkbox"/> Fund Manager | <input type="checkbox"/> Food & Beverage Manufacturing | |
| <input type="checkbox"/> Publishing/Broadcasting | <input type="checkbox"/> Software Development | |
| <input type="checkbox"/> Stockbroker | <input type="checkbox"/> Timber/Hardware Merchants | |
| <input type="checkbox"/> Other | Please provide details... _____ | |

6. State the Company's gross consolidated turnover:

- a) For the current financial year (estimated): \$ _____
 b) For the prior financial year: \$ _____

Claims Information

Enquiry should be made of all relevant staff before answering these questions.

7. In the Last 5 Years, have there been any claims made against the Company or its Directors or Employees which may have been covered under this policy if it were in force? Y N
If "Yes", please provide full details including the name of the claimant, the nature of the allegation and amounts paid for any judgments, settlements, claimants' costs and defence costs using a separate attachment.
8. 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? Y N
If "Yes", please provide full details including the nature of the allegations and the amount of any fines or penalties imposed using a separate attachment.
9. In the Last 5 Years, has the Company suffered any Direct Financial Loss exceeding \$5,000 as a result of fraud or dishonesty committed by a staff member? Y N
If "Yes", please provide full details including the name of the staff member(s), how the loss occurred, the amount of the loss and what measures were taken to prevent any similar loss occurring in the future using a separate attachment.
10. 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 which may be covered under this policy if it commences? Y N
If "Yes", please provide full details using a separate attachment.
- b) any facts which would cause a reasonable person to think that the Company might suffer a Direct Financial Loss as a result of Fraud or Dishonesty committed by a staff member? Y N
If "Yes", please provide full details using a separate attachment.

Details of Insurance

11. a) Is this a proposal to renew an existing AIG PrivateEdge Management Liability Insurance Policy? Y N
- b) Is there a specific date you wish this policy to commence? Y N
- c) If "Yes", on what date? / /
12. What limit(s) of liability do you require quotations for?
- | | |
|--------------------------------------|---------------------------------------|
| <input type="checkbox"/> \$500,000 | <input type="checkbox"/> \$4 million |
| <input type="checkbox"/> \$1 million | <input type="checkbox"/> \$5 million |
| <input type="checkbox"/> \$2 million | <input type="checkbox"/> \$10 million |
| <input type="checkbox"/> \$3 million | <input type="checkbox"/> Other: _____ |
13. What Fidelity Cover sub-limit(s) do you require quotations for?
- | | |
|------------------------------------|---|
| <input type="checkbox"/> \$100,000 | <input type="checkbox"/> \$500,000 |
| <input type="checkbox"/> \$250,000 | <input type="checkbox"/> Cover not required |
14. a) Do you want the policy to provide cover for persons holding outside directorship positions? Y N
If "Yes", please complete Question 19.
- b) Do you want the policy to provide cover for any business activities in the USA or Canada? Y N
If "Yes", please complete Question 20.
- c) Do you want the policy to provide cover for claims arising out of the actual or alleged insolvency of the Company? Y N
If "Yes", please complete Question 21.
15. Has an Insurer ever refused to insure, cancelled or refused to renew an insurance policy for the Company? Y N
If "Yes", please provide full details.

Optional Underwriting Questions

Please Note: These questions are optional. However, a satisfactory response may allow us to reduce retentions and/or remove exclusions that would otherwise be applicable if the questions are not answered.

16. **Employment Liability - Human Resources Management**

Does the Company have written management guidelines for termination of employment? Y N

Stamp Duty Split

17. For the purpose of calculating Stamp Duty please confirm the location of the Company's staff numbers as follows:

NSW	VIC	QLD	SA	WA	TAS	ACT	NT	Overseas

Optional Coverage Questions

Please Note: You are only required to complete these questions if you have requested the Optional Cover under Question 14.

18. Outside Directorship Cover

a) Full Name of the Outside Entity: _____

b) Type of Entity:

Public Company Private Company Not-For-Profit

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

c) Is solvency cover required for this outside directorship position? Y N

If "Yes" please enclose financial statements.

19. USA/Canada Cover

Please state whether the Company has any of the following in the USA or Canada:

a) Any past present or prospective Employees; or Y N

b) Any past, present or prospective capital or debt raising; or Y N

c) Any assets? Y N

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

20. Insolvency Cover

Do you have financial statements for the Company which have been audited Y N
or reviewed by an external accountant in the last 12 Months?

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 Policyholder's latest audited/ reviewed Financial Statements:

a) What is the balance date for the financial statements? / /

b) Current assets: \$ _____

c) Non-current assets: \$ _____

d) Intangible assets: \$ _____

e) Current liabilities: \$ _____

f) Non-current liabilities: \$ _____

g) Total borrowings: \$ _____

h) Did the Company make a profit after tax in the last financial year? Y N

i) 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 materially affect the financial position set out in those documents? Y N

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

j) Is any director or officer of the Company aware of any facts or circumstances which may affect the ability of the Company to meet its debts as and when they fall due? Y N

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.

Declaration

Please Note: Signing the Declaration does not bind the proposer or the Insurer to complete this insurance.

I declare that I have made all necessary inquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars given in this proposal are true and complete and that 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 insurance to which this proposal relates, I will give immediate notice thereof to the insurer.

I acknowledge receipt of the **Important Notice** contained in this proposal and that I have read and understood the content of that Notice.

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

Name: _____

Title: _____

Signature: _____

Date: _____