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**MANAGEMENT LIABILITY PROPOSAL FORM**

**IMPORTANT NOTICES:**

**It is important that you immediately contact us should you have any queries relating to these notices.**

**1. Duty of Disclosure**

Before you enter into a contract of general insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, 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 insurance, and if so, on 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.

Your duty, however, does not require disclosure of any matter:

1. that diminishes the risk to be undertaken by the Insurer;
2. that is of common knowledge;
3. that your Insurer knows or, in the ordinary course of his business, ought to know;
4. as to which compliance with your duty is waived by the Insurer.

**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.

PLEASE NOTE THAT YOUR DUTY APPLIES ALSO WHEN YOU SEEK TO AMEND, ALTER, VARY OR ENDORSE A POLICY.

**2. Utmost Good Faith**

Every insurance contract is subject to the doctrine of utmost good faith which requires that parties to the contract should act toward each other with the utmost good faith. Failure to do so on your part may prejudice any claim or the continuation of cover provided by Insurers.

**3. Change of Risk or Circumstances**

It is vital that you should advise us of any change from your “normal” form of business (i.e. that which has already been conveyed to your Insurers). For example, acquisitions, changes in occupation or location, new products, or new overseas activities.

In order to ensure proper protection please consult with us if you are in doubt as to whether an Insurer should or should not be told of certain changes. We would rather give you the extra service by answering these queries than allow you to take the risk of losing the opportunity for indemnity under your insurance policies.

**4. Claims Made Policy**

1. This proposal is for a "claims made" policy of insurance. This means that the policy covers you for claims made against you and notified to the Insurer during the period of cover. This policy does not provide cover in relation to:
2. events that occurred prior to the retroactive date of the policy (if such a date is specified);
3. claims made after the expiry of the period of cover even though the event giving rise to the claim may have occurred during the period of cover;
4. claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
5. facts or circumstances which you first became aware of prior to the period of cover, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy;
6. claims arising out of circumstances noted in the proposal form for the current period of cover or in any previous proposal form.

However, where you give notice in writing to the Insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the period of cover, the policy will, subject to the terms and conditions, cover you notwithstanding that a claim is only made after the expiry of the period of cover.

**5. Average Provision**

This policy provides that if a payment in excess of the limit of indemnity available under this policy has to be made to dispose of a claim, the Insurer's liability for costs and expenses incurred with its consent shall be such proportion thereof as the amount of indemnity available under this policy bears to the amount paid to dispose of the claim.

**YOUR PRIVACY**

The Privacy Act 1988 (Cth) requires Edgewise Insurance Brokers to make the following disclosure before collecting personal information about you after 21 December 2001:

Edgewise Insurance Brokers collects personal information in order to provide its various services which include insurance broking, claims management, risk management consultancy, underwriting management, and reinsurance.

If the personal information Edgewise Insurance Brokers requests from you is not provided, Edgewise Insurance Brokers or any involved third party may not be able to provide the appropriate services.

Edgewise Insurance Brokers discloses personal information to third parties who are involved in the provision of our services. For example, in arranging and managing your insurance needs Edgewise Insurance Brokers may provide information (including sensitive information such as health information) to insurers, reinsurers, other insurance intermediaries, its advisors such as loss adjusters, lawyers and accountants, and other parties involved in the claims handling process. By submitting your proposal and continuing to deal with us, you confirm on your behalf and/or on behalf of those you represent consent to Edgewise Insurance Brokers and these parties collecting, using and disclosing personal and sensitive information about you.

Edgewise Insurance Brokers has a duty to maintain the confidentiality of its client’s affairs which includes their personal information. Our duty of confidentiality applies except where disclosure of your personal information is with your consent or required by law.

Edgewise Insurance Brokers may make use of your personal information to provide you with information about its products and services.

Further details on the Edgewise Insurance Brokers Privacy Policy are on our website: [www.edgewise.com.au](http://www.edgewise.com.au)

**Contact us**

Simply contact the Edgewise Insurance Brokers Privacy Officer on the details below if you would like to:

* Access the personal information Edgewise Insurance Brokers hold about you
* Update or correct the information Edgewise Insurance Brokers holds about you
* Discuss your privacy concerns
* Be removed from the mailing list to receive information about Edgewise Insurance Brokers products and services

Privacy Officer

Edgewise Insurance Brokers Pty Ltd

675 Victoria Street

Richmond. Vic 3121

E-mail email@edgewise.com.au

Telephone: (03) 9425 1333

**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 by the proposed policy is subject to such date, then the policy does not cover any claim arising from any actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

**KEY FACTORS**

These questions reflect the key factors that are taken into account when determining your premium.

**1. Please answer all questions. Blanks &/or dashes, or answers such as “known to underwriters or brokers” or “N/A” are not acceptable & will delay consideration of this proposal.**

**2. If there is insufficient room to complete a question, please attach a signed & dated addendum.**

**3. Any documents attached to the proposal form are part of the proposal.**

**4. Where appropriate, please tick the yes or no box that best indicates your reply.**

|  |  |  |  |
| --- | --- | --- | --- |
| **1.** | **Name** | | |
| **Full legal name of each incorporated body or natural persons including any business or trading names** | | **ABN** | **Date(s) of Commencement** |
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| --- | --- | --- | --- | --- | --- | --- |
| Are you registered for GST? | Yes |  | No |  | Input Tax Credits: | % |

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| --- | --- |
| **2.** | **Address** |
| (a) | Principal Address: |
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|  |
|  |

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| --- | --- |
| (b) | Other Locations: |
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|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| (c) | Telephone No. |  | Facsimile No. |  | Mobile |
|  |  |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
|  | Email address |  | Website address |
|  |  |  |

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| **3.** | | **Company Type** | | | | | | |
|  | | Private (Pty Ltd) | | | | | | | | | |  | |  |  |  | |
|  | | Unlisted Public Company | | | | | | | | | |  | |  |  |  | |
| **4.** | | | | **Coverage Selection**  Please select the level of insurance coverage you require: | | | | | | | | | | | | | |
|  | |  | | | $1,000,000 |  | $2,000,000 |  | $5,000,000 | |  | Other: | | $ | | | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **5.** | **Revenue Details** | | | |
| Total Annual Revenue | $ |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **6.** | **Employee Numbers** | | | | |
| Please state the total number of directors and employees: |  |  | |  | | |
| Do you have written employment practices procedures that | |  |  |  | | | |  | |  |
| are available to each employee? | |  | Yes |  | | | | No | |  |
| **7.** | **Main Business Activity** | | |
| (a) |  | | | | | |  | |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| (b) | **Please state the total number of employees located in the following states & overseas**:: | | | | | | | | | |
| NSW | % | VIC | % | QLD | % | SA | % | WA | % |
| TAS | % | NT | % | ACT | % | Overseas | | % | |

**Total must be 100%**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **8.** | | **Crime / Fidelity Controls** | | | | | |
| (a) | Are countersignatures required on all cheques? | Yes |  | No |  |
| (b) | Are dual authorities required for all funds transfers? | Yes |  | No |  |
| (c) | Is dual authorization required for any changes to your master creditors list? | Yes |  | No |  |
| (d) | Is an inventory check undertaken and reconciled by a person who does not participate in the inventory check? | Yes |  | No |  |
|  | **If you answered “No” to any of the above, please provide further details:** |  |  |  |  |
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| **9.** | | | | **Social Engineering** | | | | | |
| (a) | | | Does the Applicant verify new customer or supplier bank account information (including name, address and bank account number) prior to initiating any financial transaction with such supplier or customer? | Yes |  | No |  |
| (b) | | | Does the Applicant have callback procedures with customers or suppliers to authenticate any fund transfer instructions greater than $25,000 prior to transfer? | Yes |  | No |  |
| (c) | | | Does the Applicant upon receipt of any email requests to change supplier or customer bank account details (including account number, email address, contact information, bank routing number) have direct callback procedures in place (i.e. other than responding via email) to the contact phone number in place prior to receipt of the change request? | Yes |  | No |  |
|  | | | **If you answered “No” to any of the above, please provide further details:** |  |  |  |  |
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| **10.** | | | **Work Health and Safety**  **Does the Applicant have:** | | | | | | |
| (a) | | | A safety management system in place? | Yes |  | No |  |
| (b) | | | A safety management system that complies with AS/NZS 4801? | Yes |  | No |  |
| (c) | | | Systems that recognise contractors, volunteers, work experience students and labour hire employees as workers? | Yes |  | No |  |
| (d) | | | An audit program of its safety management system to ensure it remains effective and up to date in managing health and safety risks in the workplace? | Yes |  | No |  |
| (e) | | | Effective hazard and incident reporting procedures? | Yes |  | No |  |
| (f) | | | Procedures in place to identify and notify officers of their duty under OH&S laws? | Yes |  | No |  |
| **11.** | | | **Company Information** | | | | | | |
| (a) | | | Is the Company a local subsidiary of an Overseas publicly listed company? | Yes |  | No |  |
| (b) | | | Does the Company have any operations in the USA? | Yes |  | No |  |
| (c) | | | Do you anticipate any merger, acquisition, divestment or private or public offering of securities within the next twelve months? | Yes |  | No |  |
| (d) | | | 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? | Yes |  | No |  |
| (e) | | | The policy contains a Financial Impairment Exclusion, however after receipt and review of externally prepared or audited financial statements we may consider removing this exclusion. Do you want this option? | Yes |  | No |  |
| (f) | | | Do you have a shareholder that owns more than 15% of the issued shares? | Yes |  | No |  |
| (g) | | | Do you anticipate retrenching or laying off greater than 10% of your staff within the next 12 months? | Yes |  | No |  |
| (h) | | | Does any director, officer or employee of the Insured currently serve as a director, officer or trustee of a for-profit entity (other than the Insured) at the Insured entity’s specific request? | Yes |  | No |  |
| (i) | | | Does the Company own assets worth in excess of $100,000,000? | Yes |  | No |  |
|  | | | **If you answered “Yes” to any of the above, please provide further details:** |
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| **12.** | | Claims Information/Circumstances | | | | | |
| (a) | Has your Company, Practice or any Partner, Principal or Director ever declined this type of insurance, or had similar insurance cancelled, or had an application for renewal declined, or had special terms or restrictions imposed? | Yes |  | No |  |
| (b) | Upon enquiry, is any Director, Officer or Employee of the Company aware of any circumstance or incident which may give rise to a claim under the policy? | Yes |  | No |  |
| (c) | Upon enquiry, has the Company ever had any loss sustained through the fraud or dishonesty of any employee or a third party? | Yes |  | No |  |
| (d) | Upon enquiry, has any claim(s) or any investigation(s) been made against any Director, Officer or Employee of the Company for any matter that is or would be subject of this insurance policy in the past 5 years? | Yes |  | No |  |

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|  | **If you answered “Yes” to any of the above, please provide further details?** | |  |  |  |  |
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| --- | --- | --- | --- | --- | --- | --- | --- |
| **13.** | | Insurance History | | | | | |
| (a) | Have you currently got a Management Liability policy in place? | Yes |  | No |  |
| (b) | If Yes, is the policy currently with Arch Insurance? | Yes |  | No |  |

**DECLARATION**

I declare as follows:

I/We confirm that the undersigned is/are authorized by the Applicant/s applying for this insurance, to make this declaration.

My/Our attention has been drawn to the “Important Notices”, particularly, Duty of Disclosure, Non-Disclosure, Claims Made Policy and Your Privacy accompanying this Proposal Form and further I/We have read these notices carefully and acknowledge my/our understanding of their content by my/our signature/s below.

I/We have read this Proposal Form and the accompanying documents and acknowledge the above statements are true and correct, and I/we have not suppressed or mis-stated any facts and should any information given by me/us alter between the date of this Proposal Form and the inception date of the insurance to which this Proposal relates, I/we shall give immediately notice thereof.

I/We authorize Edgewise Insurance Brokers Pty Ltd to collect or disclose any personal information relating to this insurance to/from any insurers or insurance reference service. Where I/we have provided information about another individual I/we declare that the individual has been or will be made aware of that fact.

I/We further agree to hold harmless and indemnify Edgewise Insurance Brokers Pty Ltd in the event of any action or matter that may be taken by any party pursuant to the Privacy Act 1988 (Cth).

Although the signing of this Proposal does not bind the Applicant/s to effect insurance, I/we 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/we also acknowledge that the Proposal and the accompanying documents will be incorporated in the contract of insurance.

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

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

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| --- | --- | --- | --- |
| **Name of Signatory:** |  | **Date:** | / / |

**CLAIMS ADDENDUM**

To be completed if your answer to the Claims Questions 12 is “YES”.

(If there is insufficient space, please attach further Claims Addendum).

|  |  |  |
| --- | --- | --- |
| **CLAIM \*** If exact date unknown, provide year as minimum | | |
| Claimant or potential Claimant |  | |
| Date\* notified to insurer |  | |
| Insurer (lead insurer or facility name) |  | |
| Date\* or period in which alleged failing occurred |  | |
| If settled, date\* settled or, if file closed, date\* closed |  | |
| Brief description of claim or potential claim: | | Circle Current Status: |
|  | | Notification Only (file open) |
|  | | Notification Only (file closed) |
|  | | Claim Pending |
|  | | Claim Active |
|  | | Claim Settled (recovery pending) |
|  | | Claim Settled (file closed) |
| Deductible Applicable | $ | |
| Insurer Paid to Date including costs | $ | |
| Insurer’s outstanding estimate (net of recoveries) | $ | |
| Insurers Incurred Loss | $ | |

Signed: Dated:

Firm: