

BUSINESS PROTECTION MANAGEMENT LIABILITY INSURANCE PROPOSAL FORM

- Answer all questions, blanks &/or dashes, or answers 'known to underwriters or brokers' or 'N/A' are not acceptable & will delay consideration of this proposal.
- If there is insufficient room to complete a question, please attach a signed & dated addendum.
- Any documents attached to the proposal form are part of this proposal.
- Where appropriate, please mark the "Yes" or "No" box which best indicates your reply.
- For the purposes of the Proposal, all subsidiaries of the Insured Entity shall be deemed the Insured Entity and responses must take into account all Insured Entities.

1. General Information

Name

Full legal name of the sole trader, partnership or incorporated entity(s) to be insured (collectively referred to in this Proposal Form as the Insured Entity) as well as any business or trading names.

Head Office Address

Postcode

Other Locations

ABN

Name of person completing application

Position within Insured Entity

Contact phone number

Email address

Annual Gross Turnover for the last financial year:

Financial Year

Turnover

Nature of Insured Entity's business activities

For Stamp Duty purposes, please provide a percentage breakdown of the Turnover disclosed above by State or Territory.

ACT	%	NSW	%	VIC	%	QLD	%	SA	%
WA	%	TAS	%	NT	%	Overseas	%	Total	%

2. Limits and Coverage Parts

Please choose either a Combined Limit of Indemnity **(a.)**, or Separate Limits and the Coverage Parts required **(b.)**.

a. Combined Limit Option

Which limit of indemnity would you like a quote for?

 \$1 million \$2 million \$5 million \$10 million Other

OR

b. Separate Limit Options

Please choose which Coverage Parts you require by entering the limit of indemnity in the coverage part/s you require (Minimum of two coverage parts must be taken)

	Limit of Indemnity
Directors and Officers Liability / Company Reimbursement	\$ <input type="text"/>
Employment Practices Liability	\$ <input type="text"/>
Statutory Liability	\$ <input type="text"/>
Company Liability	\$ <input type="text"/>

c. Do you require cover for insolvency?

Yes ☐ No ☐

If Yes, please provide a copy of your most recent full financials for further consideration of this cover.

3. Business Information

a. How many permanent employees do you have in total?

b. How many casuals, temps or other employees do you have?

c. In the last two years, how many permanent employees in total have been retrenched, dismissed or resigned?

d. Have you had any employment practices issues in the past 5 years?

Yes ☐ No ☐

If Yes, please provide full details:

e. What type of company is the Insured Entity (e.g. private, not for profit, partnership etc.)?

f. How long have you been in operation?

g. Without review or approval from at least one other person, can any one individual sign cheques, issue electronic funds transfer, prepare cheque requisitions, handle bank deposits, reconcile bank statements or refund monies?

Yes ☐ No ☐

If Yes, please provide full details:

h. Is an independent physical count of stock, raw materials & finished goods undertaken and reconciled against stock levels at least once every 12 months?

Yes ☐ No ☐

i. Has the Insured Entity been the subject of any investigations or audits or been issued with any improvement notices by any regulatory or governmental body?

Yes ☐ No ☐

If Yes, please provide full details:

j. Have you got Work Health and Safety procedures in place?

Yes ☐ No ☐

k. Have you been involved in any mergers or acquisitions in the last three years?

Yes ☐ No ☐

If Yes, please provide details below.

l. Do you have a current management liability insurance policy in place?

Yes ☐ No ☐

If Yes, please provide details below.

Name of Insurer

Expiry Date

Retroactive Date

4. Claims Information

Please answer the following questions after enquiry within your organisation.

Has there been, or is there now pending against any person /entity being proposed for insurance within this proposal:

- a. Any claim or loss which falls for indemnity under a policy similar to that proposed for (or would have fallen for indemnity under such a policy had such a policy been in effect)? Yes ☐ No ☐
If Yes, please provide details using a separate attachment.
- b. Any circumstance or incident which might potentially give rise to a claim under the scope of cover of the policy for which this proposal is being completed? Yes ☐ No ☐
If Yes, please provide details using a separate attachment
- c. Any prosecution of any entity to be insured (or any person proposing for insurance) under the Corporations Act, the Competition and Consumer Act or any other statute? Yes ☐ No ☐
If Yes, please provide details using a separate attachment.
- d. Has the Insured Entity:
- i. Suspected any fraud or dishonesty or other criminal acts that might result in a direct financial loss? Yes ☐ No ☐
- ii. Discovered or suffered a direct financial loss of over \$5,000 as a result of fraudulent, dishonest or other criminal acts? Yes ☐ No ☐
- If Yes to either i. or ii. above, please provide details (including the largest single direct financial loss in the last 5 years) using a separate attachment.

5. Declaration

I/We hereby declare that:

My/Our attention has been drawn to the Important Notice 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.

The above statements are true, 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.

Enquiry has been made of all directors and senior staff.

I/we acknowledge signing of the form does not oblige the entity(s) or persons proposing for insurance or CGU Professional Risks to enter into a contract of insurance.

I/we agree that, by submitting this form, the personal information I/we provide to CGU Insurance Limited in this form or otherwise may be collected, held, used and disclosed in the manner set out in the CGU Privacy Policy found at www.cgu.com.au/privacy, including for processing this Proposal form and providing me/us with cover.

I/We also confirm that the undersigned is/are authorised to act for and on behalf of all persons who may be entitled to indemnity under any policy which may be issued pursuant to this Proposal form and I/we complete this Proposal form on my/our and their behalf.

Who is Required to Sign the proposal form declaration:

- a. The Chief Executive Officer (Managing Director) is required for all Not-For-Profit and Private Corporations or the Principal of a sole trader.
- b. Two Partners, for a partnership
- c. Two Signatories being that of the Chairman, Chief Executive Officer (Managing Director), Chief Risk Officer and/or another Director for all Public Corporations (Unlisted), Co-operatives and Mutual Corporations.

Name Position

Signature Date

Name Position

Signature Date

It is important the signatory/signatories to the Declaration is/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 avoided.

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 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.

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 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.