

DUAL
A U S T R A L I A

**Proposal Form
Management Liability
Insurance**



Important Notice Relating to this Proposal

PLEASE READ THE FOLLOWING ADVICE BEFORE PROCEEDING TO COMPLETE THIS PROPOSAL FORM.

Your Management Liability Insurance Policy is issued on a CLAIMS MADE basis.

This means that this policy responds to:

- (1) Claims first made against you during the policy period and notified to the Insurer during that policy period, providing that you were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a Claim may be made against you; and
- (2) Pursuant to Section 40, sub-section 3 of the INSURANCE CONTRACT ACT 1984 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"

When the policy expires, no new notification generally can be made on the expired policy even though the event giving rise to a Claim against you may have occurred during the policy period. You will not be entitled to indemnity under your new policy in respect of any Claim arising out of circumstances of which you were aware at any time prior to policy inception which would have put a reasonable person in your position on notice that a Claim may be made against you. When completing your proposal you are obliged to report and provide full details of all circumstances which have become known to you and which would put a reasonable person in your position on notice that a Claim may be made against you. This is important to ensure that you make proper disclosure (refer to notice pursuant to the INSURANCE CONTRACT ACT 1984) in order that your entitlement to full indemnity under your new policy is not placed in jeopardy. In accordance with the provisions of the INSURANCE CONTRACT ACT 1984, DUAL Australia Pty Ltd is required to advise you of your responsibilities in relation to the disclosure of relevant information.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty, under the INSURANCE CONTRACT 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 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.

Your duty however does not require disclosure of matter:

- That diminishes the risk to be undertaken by the Insurer;
- That is of common knowledge;
- That your Insurer knows or, in the ordinary course of his business, ought to know;
- As to which compliance with your duty is waived by their Insurer.

(It should be noted that this duty continues after the proposal form has been completed up until the time the policy is entered into.)

Non-Disclosure

If you fail to comply with your duty of disclosure, the Insurer 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 Insurer may also have the option of avoiding the contract from its beginning. It is therefore vital that you make sufficient enquiries BEFORE you complete your proposal form and BEFORE you sign any declaration that there has been no change in the information proposed. Please take notice of the following statements pursuant to the provisions of the INSURANCE CONTRACT ACT 1984

Proposal Form: Management Liability Insurance

Surrender or Waiver of any Right of Contribution or Indemnity

Where another person or company would be liable to compensate you or hold you harmless for part or all or any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after the inception of the policy that you would not seek to recover any loss or damage from that person, you are NOT covered under the policy for any such loss or damage.

Notice of Occurrences or Events

If during the period of this policy, the Insured shall become aware of any occurrence which may give rise to a Claim under the policy and shall during the period of this insurance given written notice to the Insurer of such occurrence, any Claim which may be subsequently made arising out of the occurrence of which notification has been given shall be deemed to be a Claim made during the period of this policy whenever such Claim may actually be made.

Contract by the Insured Affecting Rights of Subrogation

If the proposed contract of insurance includes a provision which excludes or limits the Insurer's liability in respect of any loss because you are a party to an agreement which excludes or limits your rights to recover damages from a third party in respect of that loss, you are hereby notified that signing any such agreement may place your indemnity under the proposed contract of insurance at risk.

When completing this Proposal Form

- Please answer all questions giving full and complete answers

It is the duty of the Proposer to provide all information that is requested in the proposal form as well as to add additional relevant fact.

A relevant fact is such know fact and/or circumstance that may influence in the evaluation of the risk by the insurer. If you have any doubts about what a relevant fact is, please do not hesitate to contact your broker or insurer.

- If the space provided on the Proposal Form is insufficient, please use a separate signed and dated sheet in order to provide a complete answer to any question
- The proposal form must be completed, signed and dated by a person, who must be of legal capacity and authorised for the purpose of requesting directors & officers liability insurance for the firm who acts as a Proposer.

This proposal form does NOT BIND the Proposer to complete the insurance but will form part of any insurance.

Privacy Statement

DUAL Australia Pty Ltd is bound by the obligations of the Privacy Act 1988 as amended by the Privacy Amendments (Private Sector) Act 2000 regarding the collection, use, disclosure and handling of personal information.

We will protect the privacy of your personal information. We will use the information you provide in this Proposal Form (including any supplementary documentation) to consider your application for insurance, to determine policy terms, to assess a claim, etc.

We may disclose your personal information to third parties who we believe are necessary to assist us. These third parties will only use your personal information for the purposes we provided it to them (or if required by law). We may also be required to disclose your personal information to others for the purposes of public safety and/or law enforcement.

If you provide us with personal information about other individuals you must ensure that you obtain consent from those individuals to disclose that information to us. You are entitled to access your personal information and request any correction if required.

DUAL Australia recommends that you keep a record of all information supplied for the purpose of entering into an insurance contract (including copies of this Proposal Form and correspondence).

SECTION 1: DETAILS OF THE PROPOSER

Insured Name:			
Address of Head Office:			Postcode:
Telephone No:		Fax No:	
Web Address:		Date Established (dd/mm/yy):	
Telephone No:		Fax No:	
Country/State of Registration:		ABN/ACN:	
Describe the business activities of the Company:			

SECTION 2: HISTORY OF THE COMPANY

- Has the Company made any acquisitions, merger, divestments, pending or under consideration, and/or planning any material capital raisings within the next twelve months? Yes No
 - Is the Company involved in any business activities in the USA &/or Canada? Yes No
- Does any shareholder own more than 50% of the Company's Ordinary Share Capital? Yes No

If YES to any of the above please provide further details, including assets, turnover, any past/present or prospective capital raisings and number of employees in the USA &/ or Canada:

(if more space needed please provide separately)

SECTION 3: FINANCIAL INFORMATION

- Please provide the Company's Gross Consolidated Turnover (average of last 2 years): \$AUD_____
- In the past 3 years, has there been (or is there now proposed) any change in the financial position or capital structure that may materially affect the performance of the company? Yes No
- 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

If YES, to any of the above please provide full details separately.

The policy contains an Insolvency Exclusion, on receipt and review of financial statements we may consider removing this exclusion.

Proposal Form: Management Liability Insurance

4. Do you have any Management Liability Insurance Cover currently in place? Yes No

If YES, please state:

Name of the insurer:	
Limit of Indemnity:	
Deductible:	
Expiry Date of the Policy:	
Retroactivity Date:	

SECTION 4: OUTSIDE DIRECTORSHIP

1. Do any of the Directors or Officers of the Company hold (at the specific request of the Company) any Board positions on other entities?

Yes No

If YES, please provide details of such entities

Other Entity	Company's Shareholding in Other Entity	Limit of Other Entity's D&O Policy	Expiry Date

SECTION 5: EMPLOYMENT PRACTICES LIABILITY

1. Please advise total number of:

Employees: _____ Retrenchments occurred in the last twelve (12) months: _____

Does the Company have written employment procedures (e.g. Employee Handbook) that are available to each employee?

Yes No

SECTION 6: EMPLOYEE THEFT

1. Does the company segregate duties so that no one individual can control any of the following activities from commencement to completion without referral to others (ie Financial Controllers, Directors)?

a. Signing cheques, preparing cheque requisitions, reconciling bank statements or issuing funds transfer instructions above \$5,000? Yes No

b. Refund of Monies or return of goods above \$5,000 Yes No

2. Is there an annual independent physical count of stock that is reconciled against inventory records? Yes No

Proposal Form: Management Liability Insurance

SECTION 7: CLAIMS INFORMATION/CIRCUMSTANCES

- 1. After enquiry, is the proposed Insured aware of any facts or circumstances which might afford valid grounds for any future claim(s) or which would indicate the probability of any such claim(s)? Yes No
- 2. Within the last three years, has the proposed Insured 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? Yes No
- 3. Within the last three years, has the proposed Insured discovered any losses from employee dishonesty, burglary, robbery, disappearances, destruction or forgery? Yes No
- 4. Has the proposed Insured been declined, had cancelled or non-renewed any insurance policies for any of the coverage's for which it has applied. Yes No

If YES to any of the above please provide further details:

(if more space needed please provide separately)

- 5. Is the INSURED or COMPANY listed on the ASX or CHI X? Yes No

SECTION 8: INCOME DETAILS

- 1. In respect of gross fees/income for the last financial year, please provide a breakdown by State

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

SECTION 9: INDEMNITY LIMIT

Please select the amount of Indemnity required:

\$ 1,000,000 \$ 2,000,000
\$ 5,000,000 Other: _____

SECTION 10: DECLARATION

SIGNING THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR THE INSURER TO COMPLETE THIS INSURANCE

We declare that the statement and particulars in this proposal form are true and that no material facts have been misstated or suppressed after enquiry. We agree that 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. We agree that the Underwriters may use and disclose our personal information in accordance with the "Privacy Statement" at the beginning of this Proposal. We agree that this proposal, together with any other information supplied by us shall form the basis of any contract of insurance effected thereon.

TO BE SIGNED BY THE INSURED FOR WHOM THIS INSURANCE IS INTENDED FOR

SIGNATURE: _____ **DATE:** _____

NAME: _____

POSITION: _____

IT IS IMPORTANT THE UNDERSIGNED OF THE DECLARATION ABOVE IS FULLY AWARE OF THE SCOPE OF THIS INSURANCE SO THAT THESE QUESTIONS CAN BE ANSWERED CORRECTLY. IF IN DOUBT PLEASE CONTACT THE BROKER OR AGENT, SINCE NON-DISCLOSURE MAY AFFECT AN ASSURED'S RIGHT OF RECOVERY UNDER THE POLICY

DUAL Australia recommends that you keep a record of all information supplied for the purpose of entering into an insurance contract (including copies of this Proposal Form and correspondence)

HOW TO CONTACT DUAL AUSTRALIA PTY LTD:

Address: DUAL Australia Pty Ltd
GPO Box 7101
Sydney NSW 2001
Australia

Telephone: 1300 769 772 (If dialling from outside Australia +61 2 9248 6300)

E-mail: enquiries@dualaustralia.com.au