

Directors & Officers Liability

Insurance Proposal

POLICY

QM1372

This Policy is underwritten by QBE Insurance (Australia) Limited
ABN 78 003 191 035, AFS Licence No. 239545 of 82 Pitt Street, Sydney



Notice to the Proposed Insured

This notice must be read before you complete the proposal form.

1. Disclosure of Relevant Facts

Duty of Disclosure

Under the Insurance Contracts Act 1984 (the Act), you have a Duty of Disclosure. You are required before you enter into, renew, vary, extend or reinstate your Policy, to tell us everything you know and that a reasonable person in the circumstances could be expected to know, is a matter that is relevant to our decision whether to insure you, and anyone else to be insured under the Policy, and if so, on what terms.

- **You do not have to tell us about any matter**
 - that diminishes the risk
 - that is of common knowledge
 - that we know or should know in the ordinary course of our business as an insurer, or
 - which we indicate we do not want to know.
- **If you do not tell us**

If you do not comply with your Duty of Disclosure we may reduce or refuse to pay a claim or cancel your Policy. If your non-disclosure is fraudulent we may also have the option of avoiding the contract from its beginning.

2. Claims Made Policy

This declaration is for a “claims made and notified” 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:

- events that occurred prior to the retroactive date of the policy (if such a date is specified);
- 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;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- claims made, threatened or intimated against you prior to the commencement of the period of cover;
- facts or circumstances of which you first became aware 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;
- claims arising out of circumstances noted on the proposal form for the current period of cover or on any previous proposal form.

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, you may have rights under Section 40(3) of the Insurance Contracts Act 1984 to be indemnified in respect of any claim subsequently made against you arising from those facts notwithstanding that the claim is made after the expiry of the period of cover. Any such rights arise under the legislation only. The terms of the policy and the effect of the policy is that you are not covered for claims made against you after the expiry of the period of cover.

3. Average Provision

The policy may provide that if a payment in excess of the limit of indemnity available under the 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.

You should familiarise yourself with our standard form of policy for this type of cover before submitting this declaration.

4. Privacy Statement

QBE includes information about how we manage your personal information in our formal quotation terms, when issued. You can obtain a copy of the **QBE Privacy Policy Statement** from our website www.qbe.com or contact the Compliance Manager on 02 9375 4656 or email compliance.manager@qbe.com for further information.



Directors & Officers Liability Insurance Proposal

IMPORTANT: Please answer ALL questions fully. If there is insufficient space please provide details on your letterhead. Where provided, tick (✓) appropriate box to indicate answer.

1. Details of Applicant			
(a) Name of the Company or Organisation and ABN. (Hereinafter referred to as the "Corporation" in this Proposal and in the Policy.)			
(b) Principal address:			
	State		Postcode
(c) Date the Corporation commenced business:	/	/	
(d) Principal Business of the Corporation:			

2. Details of Board of Directors			
Name of Director	Qualifications	Age	Date Appointed

3. Financial Position of the Corporation	
(a) Have there been any changes in the financial position or capital structure of the Corporation or is there any trend or event not reflected in the annual report and financial statements attached to this Proposal that might materially affect the financial position shown in those statements?	Yes <input type="checkbox"/> No <input type="checkbox"/>
(b) Is any proposed director or officer aware of facts or circumstances that might affect the ability of the Corporation to meet all its debts as and when they fall due?	Yes <input type="checkbox"/> No <input type="checkbox"/>
(c) Over the last 2 financial years have the financial statements of the Corporation been subject to a qualified audit report?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If you have answered "Yes" to part (a), (b) or (c) above, please supply details.	

3. Financial Position of the Corporation (continued)

Please complete the following table in respect of the Corporation and its controlled entities

Please advise your most recent financial year end		/ /	
	Most Recent Financial Year End \$	Previous Financial Year End \$	
Current Assets	\$	\$	
Current Liabilities	\$	\$	
Total Assets	\$	\$	
Total Liabilities	\$	\$	
Intangibles	\$	\$	
Net Profit/Loss (after tax)	\$	\$	

4. Claims History of Directors and Officers

- (a) Has there been or is there now pending any Claim against any proposed director or officer, in their capacity as a director or officer of either the Corporation or any other company, organisation, association, or trust? Yes No
- (b) Do any circumstances exist that might give rise to a Claim against any proposed director or officer? Yes No
- If you have answered "Yes" to part (a) or part (b) above, please supply details.

5. Claims History of Corporation

- (a) Has there been, or is there now pending, any action, litigation or other proceedings against the Corporation, including any action, litigation or other proceeding brought under or pursuant to any Commonwealth, State, or Territory legislation? Yes No
- (b) Has there been or is there now pending any investigation, examination, inquiry or other proceedings in relation to the affairs of the Corporation? Yes No
- (c) Do any circumstances exist that might give rise to any event described under (a) or (b) above? Yes No
- If you have answered "Yes" to part (a), (b) or (c) above, please supply details.

6. Claims History – Employment Practices Liability

- (a) Has there been, or is there now pending, any employment practices claim against the Corporation, including but not limited to any claim alleging unlawful discrimination, defamation, unlawful dismissal, invasion of privacy, or harassment? Yes No
- (b) Do any circumstances exist that might give rise to an employment practices claim against the Corporation? Yes No
- (c) Has the Corporation had any office closures, consolidations, mergers or acquisitions in the past 3 years resulting in any lay-offs or early retirement? Yes No
- (d) Are any such closures, consolidations, mergers or acquisitions anticipated in the next 12 months? Yes No
- If you have answered "Yes" to part (a), (b), (c) or (d) above, please supply details.

7. Shareholder Information

Does any shareholder, or associated group of shareholders, own or control (directly or beneficially) more than ten percent (10%) of the share capital of the Corporation?

Yes No

If "Yes", please supply details of the shareholders and the percentage owned/controlled.

8. Merger, Acquisition or Takeover Activity

(a) Has the Corporation been involved in any merger, acquisition, takeover or divestiture in the last three (3) years?

Yes No

(b) Is the Corporation considering any acquisition, takeover or divestiture proposal at present?

Yes No

(c) Is the Corporation subject to any takeover attempt, or has there been any attempted takeover of the Corporation in the past three (3) years?

Yes No

If you have answered "Yes" to part (a), (b) or (c) above, please supply details.

9. North American Operations

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

Yes No

If "Yes", please supply the following details.

(a) Total assets held in North America:

\$

(b) Total revenue generated from North America:

\$

(c) Are the shares of the Corporation traded on any USA or Canadian Stock Exchanges?

Yes No

(d) Does the Corporation have any American Depository Receipts traded in the USA?

Yes No

10. Insurance Cover

(a) Does the Corporation presently carry or has the Corporation ever carried, Directors and Officers Liability Insurance?

Yes No

If "Yes", please supply details:

Insurer

Expiry date

/ /

Limit of indemnity

\$

Premium

\$

(b) Has the Corporation or any proposed director or officer ever been refused this type of insurance, or had similar insurance cancelled, or had an application for renewal declined, or had special terms imposed?

Yes No

If "Yes", please supply details.

11. Application for Cover

(a) Limit of indemnity required

\$

(b) Deductible/Excess requested (each and every Claim)

\$

(c) Please indicate any Optional Extension for which you seek cover.

• Entity Employment Practices Liability

Yes No

• Increased Aggregate Limit of Indemnity (Reinstatement)

Yes No

• Outside Directorship (other than on not for profit organisations)

Yes No

• Securities

Yes No

• Joint Venture Liability

Yes No

• Pre-acquisition Liability

Yes No

11. Application for Cover (continued)

PLEASE NOTE:

(a) If cover is requested for any Optional Extension, QBE may require additional information and reserves the right to charge any additional premiums as it may require.

(b) Employment Practices Liability

- (i) Have the Corporation's employment policies and procedures been reviewed and approved by external legal counsel? Yes No
- (ii) Is there a complaints handling procedure in place to address workplace grievances? Yes No
- (iii) Is there a policy prohibiting inappropriate use of computer technology such as e-mail, screen savers, etc.? Yes No
- (iv) Does the Corporation distribute an employment handbook to employees? Yes No

If you have answered "Yes" to part (i), (ii), (iii) or (iv) above, please supply details.

(c) If cover is required for the Outside Directorship Extension, please supply full details of all Outside Directorships, including the name of the Outside Entity and details of any Directors & Officers Insurance held by the Outside Entity. Please note that it is not necessary to submit annual reports or financial statements for any Outside Entity unless requested by QBE.

Details of Directors & Officers Insurance

Outside Entity	Insurer	Limit	Deductible/Excess	Expiry Date
				/ /
				/ /
				/ /

12. Stamp Duty Allocation

Please detail below the number of directors, officers and employees domiciled per State/Territory.

NSW	VIC	QLD	SA	WA	TAS	ACT	NT	OS

13. Declaration and Authorisation

- I have received a copy of the Policy Terms and Conditions.
- I am authorised to complete and sign this insurance proposal on behalf of the Corporation.
- The responses provided are made based on information provided to me by the directors and officers of the Corporation.
- I authorise QBE Insurance (Australia) Limited ABN 78 003 191 035 to give or obtain from other insurers or insurance reference bureaus or credit reporting agencies, any information about this insurance or any other insurance held by the Corporation including this completed proposal and the Corporation's claims history and credit history.

Signed,
Managing Director/
Chief Executive Officer

X

Date

/ /

Please enclose with this Proposal:

- The last two (2) annual reports and financial statements (including audit report) of the Corporation.
- The last Interim Statement of the Corporation (if applicable).
- Copy of the Indemnity Clause from the Corporation's Constitution.

Please return the completed form to your Financial Services Provider.