



Management Liability Insurance Proposal form



IMPORTANT NOTICES TO THE APPLICANT

COMPLETING THIS PROPOSAL FORM

This proposal forms the basis of any insurance contract entered. Please complete it fully and carefully, remembering to sign the declaration. If you have insufficient space to complete any of your answers, please attach a signed and dated addendum. Any documents attached to the proposal will form part of the proposal. If you have any doubt over the questions or completing this proposal, please contact your insurance agent, as any non-disclosure may affect your right of recovery under this policy.

CLAIMS MADE COVER

Management Liability Insurance is issued on a 'Claims Made' basis. It only provides cover if a claim is made against you, by some other person during the period when the policy is in force.

It does not provide cover if a claim arises out of circumstances committed, attempted, or alleged to have been committed or attempted before the retroactive date stipulated in the schedule in the policy.

Section 40(3) of the Insurance Contracts Act 1984 (Cth) applies to this type of policy. That sub-section provides that if you become aware, during the period when the policy is in force, of any facts which might give rise to a claim against you by some other person, then provided that you notify the insurer in writing of the matter as soon as was reasonably practicable after you became aware of those facts but before the insurance cover provided by the policy expires, the insurer may not refuse to indemnify merely because a claim resulting from the matter is not made against you while the policy is in force.

If you, inadvertently or otherwise, do not notify the relevant occurrence or facts to the insurer before the expiry of the policy, you will not have the benefit of section 40(3) and the insurer may refuse to pay any subsequent claim, notwithstanding that the facts or events giving rise to it or the circumstances alleged in it may have taken place during the policy period.

If a claim is made against you by some other person during the policy period but is not notified to the insurer until after the policy has expired, the insurer may refuse to pay or may reduce its payment under the policy if it has suffered any financial prejudice as a result of the late notification.

DUTY OF DISCLOSURE

Before you enter into an insurance contract, you have a duty to tell the insurer anything that you know, or could reasonably be expected to know, may affect the insurer's decision to insure you and on what terms.

You have this duty until the insurer agrees to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell the insurer anything that:

- reduces the risk the insurer insures you for; or
- is common knowledge; or
- the insurer knows or should know as an insurer; or
- the insurer waives your duty to tell the insurer about.

IF YOU DO NOT TELL THE INSURER SOMETHING

If you do not tell the insurer anything you are required to, the insurer may cancel your contract or reduce the amount the insurer will pay you if you make a claim, or both.

If your failure to tell the insurer is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

SUBROGATION AGREEMENT

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.

PRIVACY STATEMENT

Delta Insurance Australia Pty Ltd is committed to protecting your privacy. We have adopted the Australian Privacy Principles (**APPs**) contained in the Privacy Act 1988 (Cth) (**Privacy Act**). The APPs govern the way in which we collect, use, disclose, store, secure and dispose of your Personal Information.

Any Personal Information we collect about you will only be used for the purposes indicated in our Privacy Policy and only in the instance you have provided us with your consent or as otherwise required by law.

We will need to collect personal information from you or your insurance agent to assist with assessing your risk so that we can offer our products and services.

USE OF YOUR INFORMATION

The information collected will be used for the purpose in assisting us with underwriting and administrating your insurance cover on behalf of the Insurers we represent. Where reasonable and practicable to do so, we will collect your Personal Information only from you. To verify your identity, we may obtain or verify your Personal Information from a third party.

Information collected can also be used towards improving our customer service, product data research analysis and to advise you of any other products and services that may be of interest to you.

SECURITY OF YOUR INFORMATION

Your Personal Information is stored in a manner that reasonably protects it from misuse and loss and from unauthorised access, modification, or disclosure.

When your Personal Information is no longer needed for the purpose for which it was obtained, we will take reasonable steps to destroy or permanently de-identify your Personal Information. However, most of the Personal Information is or will be stored in client files which will be kept by us for a minimum of 7 years.

Whilst underwriting and reviewing your policy, we may share your information with your insurance agent, claims assessors, and to third party administrators providing related services to your insurance policy. Your information will be provided to the Insurer's we represent, based in the UK and whose details we will provide to you when issuing an insurance quotation.

By providing us with your Personal Information, you consent to us disclosing your information to such entities without obtaining your consent on a case-by-case basis.

FURTHER INFORMATION

We understand that you may not want to share with us the information which is requested to review your insurance policy, and this may affect our ability in providing and assessing an insurance policy.

For more information regarding how we collect, store, use and disclose your information, please read our privacy policy located at www.deltainsurance.com.au or alternatively you can contact us at contactus@deltainsurance.com.au.

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HUMAN RESOURCE MANAGEMENT

- 13 Does the Applicant have a written employee handbook which is distributed to all employees? Yes No

If no, please explain why:

- 14 How many Directors, Officers & Employees have resigned, had their employment terminated, were made redundant or took early retirement in the last 12 months?

- 15 Please state the approximate percentage of employees with salaries (including bonuses) over AUD \$100,000: %

- 16 Is the Applicant considering any employee reductions or redundancies in the next twelve months, including anything resulting from a branch, office, or subsidiary closing or consolidation? Yes No

If yes, please provide details including how many employees will be affected:

RISK MANAGEMENT

- 17 Does the Applicant have written policies/procedures in place to ensure compliance with the following:

Occupational Health & Safety? Yes No

Environmental Protection? Yes No

All other legislation specific to their industry/business? Yes No

If no to any of the above, please provide details on how compliance is maintained:

- 18 Are all the Applicant's employees provided appropriate training in accordance with all the policies/procedures at the start of their employment, and when policies/procedures are updated by the Applicant? Yes No

If no, please explain why:

INTERNAL CONTROLS & PROCEDURES

- 19 Are the duties of each employee arranged so that no one employee is permitted to control any transaction from commencement to completion? Yes No

- 20 Does the Applicant maintain an approved supplier/service providers master list? Yes No

- 21 Is an independent physical count of stock, raw materials, work-in-progress, & finished goods undertaken at least half-yearly, and is this count reconciled against stock records? Yes No

- 22 Is there an IT cyber security plan in place that is regularly reviewed, updated & tested? Yes No

- 23 Is there a social engineering fraud risk management strategy in place? Yes No

- 24 Does the Applicant verify new customer or supplier bank account information (including Name, Address & bank account details) prior to initiating any financial transaction with such supplier or customer? Yes No

- 25 Does the Applicant have a call-back procedure to pre-agreed contact phone numbers, with customers or suppliers to:

(a) Authenticate any fund transfer instructions greater than \$25,000 prior to transfer? Yes No

(b) Verify email change requested to supplier or customer bank account details (including account number, email address, contact information, bank routing number)? Yes No

If no to any of the above, please elaborate as to why these controls are not in place:

STAMP DUTY

26 Please provide the total number of employees located per state and territory:

NSW	VIC	QLD	SA	NT	WA	ACT	TAS	O/S

COVERAGE/SECTIONS REQUIRED

27 Please select from the following options and specify if any sections are not required:

Coverage Section	<input type="radio"/> Option 1	<input type="radio"/> Option 2	<input type="radio"/> Other	Section Not Required
Directors & Officers Liability	\$1,000,000	\$2,000,000	\$	Mandatory Section
Employment Practices Liability	\$1,000,000	\$1,000,000	\$	<input type="radio"/>
Statutory Liability	\$250,000	\$250,000	\$	<input type="radio"/>
Crime	\$250,000	\$250,000	\$	<input type="radio"/>
Commercial Legal Expenses	\$100,000	\$100,000	\$100,000	<input type="radio"/>

INSURANCE HISTORY

28 Has the Applicant ever had any insurance declined or cancelled, renewal refused, special conditions imposed, or a claim rejected?

Yes No

If yes, please provide details:

29 Please provide details of the Applicant's current Management Liability insurance coverage:

Current Insurer:

Expiry Date:

Limit of Indemnity: \$

Retention: \$

Retroactive Date:

CLAIMS HISTORY

30 Has a claim, proceeding or demand been made or brought against the Applicant or any of its directors, officer, or employees in the last five years (whether insured or not)?

Yes No

31 Have the Applicant or any of its directors, officers or employees been the subject to any regulatory, administrative or governmental investigation in the last five years (whether insured or not)?

Yes No

32 Have any crime losses been sustained by the Applicant in the last five years?

Yes No

33 Is the Applicant, after enquiry, aware of any act, error, omission, event, circumstance, or incident which may give rise to a claim, proceeding or demand, or any regulatory, administrative or governmental investigation or crime loss?

Yes No

If Yes, to any of the above, please provide details as well as a copy of your claim's history if applicable:

DECLARATION

I as the authorised undersigned partner, principal, or director, after full enquiry declare as follows:

- (a) I am authorised by all Applicants to make this proposal.
- (b) I have read and understood the duty of disclosure, located at the front of this proposal form.
- (c) I have read and understood this proposal and any accompanying documentation, and acknowledge the contents herein are true and accurate.
- (d) I understand that, up until a contract of insurance is entered into, I am under an ongoing obligation to immediately inform Delta Insurance Australia of any change in the facts or statements contained in this proposal form or in the accompanying documentation.
- (e) I understand that should information provided be misleading or fraudulent, the contract may be voided in its entirety as per the Insurance Contracts Act 1984.

I agree although the signing of this proposal does not bind the underwriter to effect insurance, I acknowledge that the particulars and statements contained in this proposal and in the accompanying documentations shall be the basis of the insurance contract should a policy be effected; and further, I acknowledge that the proposal and the accompanying documentation will be incorporated in such policy.

Full Name:

Title:

Signature:

Date: