

Management Liability Proposal Form

Please read the following notices. They are for your information and do not form part of the insurance contract. They do not impose contractual obligations on you or create contractual rights.

Your Duty of Disclosure

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms. You have this duty until we agree to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract. You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something

If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both. If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

Claims Made Policy

This policy is issued on a 'claims made and notified' basis. This means that the Insuring Clause responds to:

- claims first made against you during the Period of Insurance and notified to the insurer during the Period of Insurance, provided 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
- written notification of facts pursuant to section 40(3) of the Insurance Contracts Act 1984. The facts that you may decide to notify, are those which might give rise to a claim against you. Such notification must be given as soon as reasonably practicable after you become aware of the facts and prior to the Period of Insurance expiring. If you give written notification of facts the policy will respond even though a claim arising from those facts is made against you after the policy has expired. For your information, s40(3) of the Insurance Contracts Act 1984 is set out below:

'S40(3) Where the insured gave notice in writing to the insurer of facts that might give rise to 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 the insurance cover provided by the contract.'



When the Period of Insurance expires, no new notification of facts can be made on the expired policy even though the event giving rise to the claim against you may have occurred during the Period of Insurance.

Underinsurance provision

If your policy provides for 'Costs in Addition' to the limit of liability and if a payment in excess of the limit of liability available under your 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 liability available under this policy bears to the amount paid to dispose of the claim payments.

Subrogation waiver

Our policy contains a provision that has the effect of excluding or limiting our liability in respect of a liability incurred solely by reason of the insured entering into a deed or agreement excluding, limiting or delaying the legal rights of recovery against another.

Privacy

FTA Insurance complies with the Privacy Act 1988 and the Australian Privacy Principles therein. If we disclose personal information to you for any reason you must also act in accordance with and comply with the terms of the Privacy Act and the Australian Privacy Principles.

Agent of the Insurer

In effecting this insurance contract FTA will be acting under an authority given to it by the insurer to effect the contract and FTA will be effecting the contract as agent of the insurer and not of the Insured.

Purpose for collection of information

FTA Insurance Pty Ltd is committed to compliance with the Privacy Act 1988 (Cth). We use your personal information to assess the risk of and provide insurance, and assess and manage claims.

We provide your information to the insurers we represent when we receive a submission from your broker, decline, quote or issue and administer your insurance. We may also provide your information to your broker and our contracted third party service providers (e.g. claims management companies, auditors and solicitors), but will take all reasonable steps to ensure that they comply with the Privacy Act.

Our Privacy Policy contains information about how you can access the information we hold about you, ask us to correct it, or make a privacy related complaint. You can obtain a copy from our Privacy Officer by telephone 02 9003 1660, email quotes@FTAinsurance.com.au or by visiting our website www.FTAinsurance.com.au.

By providing us with your personal information, you consent to its collection and use as outlined above and in our Privacy Policy.

Contact Details:

FTA Insurance
PO Box 21
Roseville NSW 2069
Ph: 02 9003 1660
Email: quotes@FTAinsurance.com.au
Web site: www.FTAinsurance.com.au

General Details:

1. Insured Details

Name of Company(ies) to be insured and any subsidiaries	Date established	ABN
Website address		

2. If the Company has a number of subsidiaries or a complex structure it could be helpful to provide a structure and/or organisation chart.

3. Please state the nature of the business of the company and its subsidiary companies

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4. Does the Insured have any plans to acquire, sell, dispose of or merge with another company or business in the next 12 months?

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

5. Is the Insured aware of any proposals relating to the takeover of the company or its subsidiary companies by another company in the next 12 months?

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

Director Information

6. Has any former or current director or officer of the company or its subsidiary companies (current or past) ever been declared bankrupt?

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

7. Has any former or current director or officer of the company or its subsidiary companies (current or past) ever been a director or officer of an organisation placed in receivership, liquidation or provisional liquidation?

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

8. Do any of the directors, officers or employees of the company or its subsidiary companies hold or have they held (at the specific request of the company or its subsidiary companies) any outside directorships or positions of equivalent status in any outside entities?

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

Claims Information

9. After full enquiry, is an insured or the Company aware of any claim, investigation, enquiry, audit or allegation that might be covered by our policy? Such claim, investigation, enquiry, audit or allegation could relate to (without limiting the type of claim) employment, discrimination, harassment, work place health and safety, tax or state duties or pollution.

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

10. After full enquiry, is an insured or the Company aware of any circumstance or incident that could lead to an investigation, enquiry, audit or allegation that might be covered by our policy?

No ☐ Yes ☐ If Yes please provide details

11. After full enquiry is an insured or is the Company aware of any actual or potential misappropriation, theft, loss of money, funds or property of the Company or its clients?

No ☐ Yes ☐ If Yes please provide details

12. After full enquiry is an insured or the Company aware of any claim or circumstance that might lead to a claim by a shareholder against any director?

No ☐ Yes ☐ If Yes please provide details

Financial Position

13. Financial Information

Financial Year	Net Profit*	Gross Turnover	Net Assets*	Gross Assets*
Ending __/ __	\$	\$	\$	\$
Ending __/ __	\$	\$	\$	\$

*Please indicate a loss or negative number by surrounding with brackets

14. To the best of the knowledge and belief of the company's and its subsidiary companies' directors and officers, will the company and any subsidiaries and/or controlled entities be able to pay its/their debts as they fall due over the next twelve months?

No ☐ Yes ☐ If Yes please provide details (please use a separate page)

Employees

15. Does the Company or any insureds anticipate any retrenchments in the next 12 months?

No ☐ Yes ☐ If Yes please provide details

16. Does the Company carry out reference checks on all employees before they are employed?

No ☐ Yes ☐ If No please provide details

17. Please advise the total number of employees and contractors:

Full Time	Part Time or Casual	Contractors

18. Please give a percentage split totalling 100% of which state(s) the Company's employees are in.

NSW	Vic	Qld	WA	SA	Tas	ACT	NT	O/S
%	%	%	%	%	%	%	%	%

Crime

19. Is there an annual audit of the Company's accounts?

No ☐ Yes ☐ If No please provide details (please use a separate page)

20. If the Insured has stock is there an annual independent count of physical stock against inventory records?

No ☐ Yes ☐ If No please provide details (please use a separate page)

21. Are countersignatures required on all cheques and dual authorisation on all bank withdrawals/transfers?

No ☐ Yes ☐ If No please provide details (please use a separate page)

22. Does the Company segregate duties so that no one person can control the authorising of bank withdrawals or transfers, carry out the actual making of the withdrawals or transfers and the recording of the withdrawals/transfers in the Insured's accounts?

No ☐ Yes ☐ If No please provide details (please use a separate page)

23. When carrying out a change of vendor details (including bank account) does the Company always:

- a. have someone from the Company verbally contact someone they already knew at the vendor to confirm the change (keeping a written file note of the conversation). Alternatively, if they do not know someone at the vendor then a director of the Company should confirm the changes by verbally contacting the vendor (keeping a written file note of the conversation); **and**

- b. receive written confirmation from the vendor of the change of details?

No ☐ Yes ☐ If No please provide details (please use a separate page)

Declaration

24. I declare that I am authorised to complete this Proposal Form on behalf of all insureds and the Company, that I have made reasonable enquiries to ascertain the truth of all the statements and that to the best of my knowledge and belief the statements and particulars in this Proposal Form are true and correct and no material facts have been omitted or misrepresented. I undertake to inform FTA Insurance of any change to any material fact which occurs before any insurance, based on this Proposal Form, is entered into.

X

Name and Position of person signing:

Date:

Additional Information: