



DIRECTOR'S & OFFICER'S LIABILITY INSURANCE PROPOSAL FORM – SHIELD

The following documents must be submitted with this proposal form:

- (a) The annual report and financial statements of the company for the last two years;
- (b) The latest interim financial statement (if applicable);
- (c) A copy of all circular letters sent to the company's shareholders during the past 12 months;
- (d) The latest financial statement of the ultimate Holding Company (if applicable);
- (e) Any Prospectus or Share Offer Document issued in the past 12 months.

- 1. All questions must be answered giving full and complete answers.
- 2. Please ensure that this proposal form is signed and dated.

IMPORTANT NOTICES

Pursuant to the provisions of the *Insurance Contracts Act 1984*, Underwriters are required to notify you of the following relevant information.

Your Duty of Disclosure

In accordance with the provisions of the *Insurance Contracts Act 1984*, you have a duty to disclose to the Underwriters every matter that you know, or could reasonably be expected to know, that is relevant to the Underwriter's decision whether to accept the risk of the insurance and, if so, on what terms.

This duty does not require disclosure of matters that diminish the risk to be undertaken by the Underwriter, that are common knowledge, or that the Underwriter knows or, in the ordinary course of its business, should know, or as to which compliance with your duty is waived by the Underwriter.

It should be noted that this duty continues until the Policy is entered into with the Underwriters, and extends to any renewal, reinstatement, variation or extension to the Policy.

Non-Disclosure

The Underwriters may be entitled to either reduce their liability under the contract in respect of a Claim, cancel the contract or avoid the contract from its beginning in accordance with the provisions of the *Insurance Contract Act 1984* if you fail to comply with your duty of disclosure, or if any non-disclosure is fraudulent.

Claims Made

This is a "claims made" policy of insurance, which means that it only covers claims made against an insured and notified to the Underwriters during the period of insurance. By operation of Section 40 (3) of the *Insurance Contracts Act 1984*, where the insured gives 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 the insurance cover provided by the contract.

Retroactive Liability

The Policy may be limited by a retroactive date stated in the schedule. The Policy does not provide cover in relation to any claim arising from any actual or alleged act, error, omission or conduct that occurs before the commencement of the Policy, unless retroactive liability cover is extended by the Underwriters.

Average Provision

One of the insuring provisions of the proposed Policy provides that where the amount required to dispose of a claim exceeds the limit of indemnity, the insurer shall be liable only for a part of the total costs and expenses which shall be the same proportion of the total expenses as the limit of indemnity bears to the total amount required to dispose of the claim.

Liability Assumed Under Agreement

Cover provided by this form of liability insurance does not cover liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

Utmost Good Faith

In accordance with Section 13 of the *Insurance Contracts Act 1984*, the policy of insurance is based on utmost good faith requiring the Underwriter(s) and the proposer/insured(s) to act towards each other with the utmost good faith in respect of any matter relating to the insurance contract.

Privacy Notice

In order for the Underwriters to provide you with insurance products and the processing of claims, it is necessary to obtain personal information from you. The Underwriters are bound by the provisions of the *National Privacy Principles* as set out in the *Privacy Act (Cwlth) 1988*.

You may elect not to provide the Underwriters with this information; however, this may prevent the Underwriters from providing you with the products or services sought.

The Underwriters may disclose this information to other insurers, re-insurers, an insurance reference service, or other advisers used by the Underwriters such as loss adjusters, lawyers or others who may be engaged to assist in claims handling. These third parties will all be contractually required to adhere to the Underwriters privacy obligations.

Should you require access to your personal information, the Underwriters may be contacted on (02) 8912 6400.

London Australia Underwriting Pty Ltd

Level 35, 100 Miller Street
North Sydney, NSW 2060

t 02 8912 6400

f 02 8912 6401

www.lauw.com.au

A. INFORMATION ABOUT THE COMPANY

1.	Company name:	
2.	Nature of business:	
3.	Address:	
4.	Country or State of registration:	
5.	Web-site address:	
6.	Does the Company hold a registration pursuant to a <i>New Tax System (Goods and Services Tax) Act 1999</i> ?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, what is the registration number?</i>
7.	Type of company, please indicate:	<input type="checkbox"/> Public
		<input type="checkbox"/> Private
		<input type="checkbox"/> Mutual
		<input type="checkbox"/> Not for Profit
		<input type="checkbox"/> Listed on the ASX - date of listing:
		<input type="checkbox"/> Listed on any Foreign Exchange - date of listing and Exchange:
8.	Date since the Company has continuously carried on business:	<input type="checkbox"/> Traded in any other way - Please state

B. OUTSIDE DIRECTORSHIPS

9.	Is cover required under this policy for Directors or Officers of the Company or of its subsidiary companies whilst holding Directorships in any other companies?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please complete Appendix 1:</i> <input type="checkbox"/>
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C. OWNERSHIP

10.	Are there any shareholders who own 10% or more of the Company's issued shares?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please detail the shareholder's names and the percentages owned:</i>
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11.	Total number of shares held by Directors and Officers (both directly and beneficially):	
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D. ASX LISTING – COMPLETE ONLY IF ASX LISTED

12.	What % of the Board are independent directors?	
13.	What % of the Audit Committee are independent?	
14.	Does the Audit Committee have clear terms of reference?	<input type="checkbox"/> No <input type="checkbox"/> Yes
15.	Do the non-executive Audit Committee members meet the Auditors without Executive Directors being present?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, how often?</i>
16.	Is the Company compliant with the ASX Corporate Governance Principles and Best Practice Recommendations?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please confirm why not:</i>

E. GROSS ASSETS & EMPLOYEE NUMBER

Please advise the total gross assets of the Company and the number of employees in:		
17.	Australia	Gross Assets: Number of Employees:
18.	USA / Canada	Gross Assets: Number of Employees:
Please advise the names of any subsidiary companies in the USA/Canada:		

F. STOCK, SHARES OR DEBENTURES IN THE USA OR CANADA

19.	Does the Company or any of its subsidiaries have any of their stock, shares or debentures issued in the USA or Canada?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please answer questions (a)-(e) below:</i>
(a)	On what date was the last offer/tender issue made?	
(b)	Was the offer subject to the <i>United States Security Act 1933</i> and/or the <i>Securities Exchange Act of 1934</i> and/or any amendments thereto?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(c)	What is the amount of stock, shares or debentures traded in the USA or Canada as a percentage of the Company's total issued share capital?	

(d)	If ADR's please state:	
(i)	Whether Level 1, 2 or 3	
(ii)	The amount traded as a percentage of the Company's total issued share capital?	
(iii)	Whether sponsored or un-sponsored?	
(iv)	The number of ADR shareholders?	
(e)	Does the proposer have any debt instruments or commercial paper in the USA or Canada?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

G. PAST CHANGES AT THE COMPANY

During the past 24 months:		
20.	Has the name of the Company changed?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
21.	Have any acquisitions or disposals involving the Company taken place?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
22.	Has the Company merged with any other entity?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
23.	Has the Company changed its capital structure?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
24.	Has any Subsidiary of the Company been sold or ceased trading?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
25.	Has the Company filed any registration statement for a public offering?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
26.	Has the Company issued any shares (common or otherwise)?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

H. FUTURE CHANGES AT THE COMPANY

Is the Company:		
27.	Considering any offering or share issue in the next 12 months?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
28.	Aware of any proposal relating to its acquisition by another company?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

I. ENTITY EPL

29.	Does the Company have written procedures, contracts of employment, personnel files, and employee handbook?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide details:</i>	
30.	Does the Company minute all grievance and disciplinary hearings?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide details:</i>	
31.	Does the Company expect there to be any redundancies or other reductions amongst its employees in the next 24 months?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	
32.	Have more than 5% of the Company's employees resigned, been made redundant or been dismissed during the last 24 months?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	
33.	Does the Company plan to make any amendments to the employee benefits package in the next 24 months or has it done so during the last 24 months (salary increases excluded)?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	
34.	List the number of employees with base annual salaries falling into the following bands:	\$0 to \$50,000 per annum	
		\$50,001 to \$100,000 per annum	
		\$100,001 to \$200,000 per annum	
		Above \$200,000 per annum	
35.	Has the company ever had an insurer decline a proposal, or cancel or refuse to renew an Entity EPL Insurance Policy?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	

J. GENERAL

Has the Company:			
36.	Changed its external auditor in the past 5 years?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	
37.	Ever re-stated its financial results?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>	

K. PREVIOUS DIRECTORS AND OFFICERS LIABILITY INSURANCE

38.	Has Directors and Officers Liability Insurance been carried during the past 3 years?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please answer (a)-(c) below.</i>
(a)	The name of the insurers:	
(b)	The period of the policy:	
(c)	The indemnity limit:	
39.	As far as is known, have the Proposers ever been refused this type of insurance or had a similar insurance cancelled?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

L. CLAIMS / LOSS DETAILS

40.	If a similar insurance to that now proposed had been or were now in effect would any claim which has been made or which is now pending against any persons proposed for insurance have fallen within the scope of such insurance?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
41.	Has the company ever been the subject of an investigation by a Regulatory body?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>
42.	Is any person proposed for insurance aware, AFTER ENQUIRY, of any circumstances or incident which he/she has reason to suppose might afford grounds for any future claim such as would fall within the scope of the proposed insurance?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i>

M. PROPOSED INSURANCE

43.	Aggregate Indemnity Limit required, please indicate:	<input type="checkbox"/> \$1,000,000 <input type="checkbox"/> \$2,000,000 <input type="checkbox"/> \$5,000,000 <input type="checkbox"/> \$10,000,000 <input type="checkbox"/> Other, please state:
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N. STAMP DUTY

44.	For the purpose of calculating Stamp Duty, please confirm the actual number of employees in the relevant State, Territory or location:																		
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O. DECLARATION

We declare that the above answers, statements, particulars and additional information are true to the very best of the knowledge and belief of the **Proposer**. After full enquiry, we also confirm that we have disclosed all information and material facts that may alter the Underwriters' view of the risk, or affect their assessment of the exposures they are covering under the policy. We understand that all answers, statements, particulars and additional information supplied with this proposal form will become part of and form the basis of the policy.

We acknowledge that we have read and understood the content of the **Important Notice** contained in this proposal.

We confirm that we are authorised to complete this proposal on behalf of the Company referred to in **Question 1** of this proposal and all subsidiary companies declared in **Question 11**.

To be signed by two Executive Officers

Name:
Capacity:
Signed:
Date:

Name:
Capacity:
Signed:
Date:

APPENDIX 1 – OUTSIDE DIRECTORSHIPS

	Name of Outside Entity	Country of Incorporation	Name/s of Director Involved	Activity	Does the Outside Entity currently carry D&O Insurance?	If Yes: a) Who is the insurer? b) What is the limit of indemnity? c) What is the relevant policy number?
1.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
2.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
3.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
4.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
5.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)
6.					<input type="checkbox"/> No <input type="checkbox"/> Yes	a) b) c)