

# PROPOSAL FORM – SHIELD

## DIRECTOR'S & OFFICER'S LIABILITY INSURANCE



### 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.

### Proposal Form

1. All questions must be answered giving full and complete answers.
2. Please ensure that this Proposal Form is Signed and Dated.

**LAUW**

LONDON AUSTRALIA UNDERWRITING



## IMPORTANT NOTICES

### **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 Proposal Form is for a Policy that operates on a claims made and notified basis. This means that the Policy provides cover for claims first made and notified during the period of insurance, subject to the terms and conditions of the Policy.

The Policy does not provide cover in relation to any known matters or facts nor any actual or alleged act, error, omission or event that occurred before the retroactive date (if any) specified in the Policy.

Where you give notice in writing to the Underwriters 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 insurance), 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 insurance. Those rights are in addition to any rights that you may have under the Policy.

### **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 Underwriters 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**

London Australia Underwriting Pty Ltd (LAUW) and the Underwriters are committed to compliance with the provisions of the Australian Privacy Principles and the Privacy Act 1988 (Cth). In order for LAUW and the Underwriters to assess the risk of, and provide you with, insurance products and assess and manage any claims under those products, it is necessary to obtain personal information from you. If you do not provide that information, it may prevent LAUW and the Underwriters from providing you with the products or services sought.

If you provide LAUW and/or the Underwriters with information about someone else, you must obtain their consent to do so. LAUW and the Underwriters may disclose your information to other insurers, their reinsurers, an insurance reference service or other advisers used by the Underwriters (or LAUW on behalf of the Underwriters) such as loss adjusters, lawyers or others who may be engaged to assist in claims handling, underwriting or for the purpose of fulfilling compliance and/or regulatory requirements. These third parties will all be contractually required to adhere to LAUW's and the Underwriter's privacy obligations.

LAUW's privacy policy contains information about how you can:

- i. access the information that LAUW holds about you;
- ii. ask LAUW to correct that information;
- iii. make a privacy related complaint.

You can obtain a copy of LAUW's privacy policy at <http://www.lauw.com.au/privacy-policy/>

Should you require access to your personal information, LAUW may be contacted directly on (02) 8912-6400.

**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 New Tax System (Goods and Services Tax) Act 1999?  
 **Yes**    **No**   If Yes, what is the registration number?

**7.** Type of company, please indicate:  
 Public    Private    Mutual    Not for Profit    Listed on the ASX - date of listing: \_\_\_\_\_  
 Listed on any Foreign Exchange - date of listing and Exchange: \_\_\_\_\_  
 Traded in any other way - Please state: \_\_\_\_\_

**8.** Date since the Company has continuously carried on business:

**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?  
 **Yes**    **No**   If Yes, please complete Appendix 1:

**C. OWNERSHIP**

**10.** Are there any shareholders who own 10% or more of the Company's issued shares?  
 **Yes**    **No**  
 If Yes, please detail the shareholder's names and the percentages owned:

**11.** Total number of shares held by Directors and Officers (both directly and beneficially):

**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?

Yes  No

**15.** Do the non-executive Audit Committee members meet the Auditors without Executive Directors being present?

Yes  No

If Yes, how often?

**16.** Is the Company compliant with the ASX Corporate Governance Principles and Best Practice Recommendations?

Yes  No

If No, please confirm why not:

**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?

Yes  No

If Yes, please answer questions (a)-(e) below:

a. On what date was the last offer/tender issue made?

b. Was the offer subject to the United States Security Act 1933 and/or the Securities Exchange Act of 1934 and/or any amendments thereto?

Yes  No

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?

Yes  No

If Yes, please provide details:

  


**G. PAST CHANGES AT THE COMPANY**

**During the past 24 months:**

**20.** Has the name of the Company changed?

Yes  No

If Yes, please provide details:

  


**21.** Have any acquisitions or disposals involving the Company taken place?

Yes  No

If Yes, please provide details:

  


**22.** Has the Company merged with any other entity?

Yes  No

If Yes, please provide details:

  


**23.** Has the Company changed its capital structure?

Yes  No

If Yes, please provide details:

  


**24.** Has any Subsidiary of the Company been sold or ceased trading?

Yes  No

If Yes, please provide details:

  


**25.** Has the Company filed any registration statement for a public offering?

Yes  No

If Yes, please provide details:

**26.** Has the Company issued any shares (common or otherwise)?

Yes  No

If Yes, please provide details:

  

**H. FUTURE CHANGES AT THE COMPANY**

**Is the Company:**

**27.** Considering any offering or share issue in the next 12 months?

Yes  No

If Yes, please provide details:

  

**28.** Aware of any proposal relating to its acquisition by another company?

Yes  No

If Yes, please provide details:

  

**I. ENTITY EPL**

**29.** Does the Company have written procedures, contracts of employment, personnel files, and employee handbook?

Yes  No

If Yes, please provide details:

  

**30.** Does the Company minute all grievance and disciplinary hearings?

Yes  No

If Yes, please provide details:

  

**31.** Does the Company expect there to be any redundancies or other reductions amongst its employees in the next 12 months?

Yes  No

If Yes, please provide details:

  

**32.** Have more than 10% of the Company's employees resigned, been made redundant or been dismissed during the last 12 months?

Yes  No

If Yes, please provide details:

**33.** Does the Company plan to make any amendments to the employee benefits package in the next 12 months or has it done so during the last 12 months (salary increases excluded)?

Yes  No

If Yes, please provide details:

  


**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?

Yes  No

If Yes, please provide details:

  


**J. GENERAL**

**Has the Company:**

**36.** Changed its external auditor in the past 3 years?

Yes  No

If Yes, please provide details:

  


**37.** Ever re-stated its financial results?

Yes  No

If Yes, please provide details:

  


**K. PREVIOUS DIRECTORS AND OFFICERS LIABILITY INSURANCE**

**38.** Has Directors and Officers Liability Insurance been carried during the past 3 years?

Yes  No

If Yes, please answer (a)-(c) below:

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?

Yes  No

If Yes, please provide details:

  


**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?

Yes  No

If Yes, please provide details:

  


**41.** Has the company ever been the subject of an investigation by a Regulatory body?

Yes  No

If Yes, please provide details:

  


**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?

Yes  No

If Yes, please provide details:

  


**M. PROPOSED INSURANCE**

**43.** Aggregate Indemnity Limit required, please indicate:

\$1,000,000  \$2,000,000  \$5,000,000  \$10,000,000  Other, please state: \_\_\_\_\_

**N. STAMP DUTY SPLIT**

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

NSW	VIC	QLD	SA	WA	TAS	ACT	NT	Overseas

**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:	<input type="text"/>	Date:	<input type="text"/>	Signed:	<input type="text"/>
Position:	<input type="text"/>	Company:	<input type="text"/>		

Name:	<input type="text"/>	Date:	<input type="text"/>	Signed:	<input type="text"/>
Position:	<input type="text"/>	Company:	<input type="text"/>		

**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?	a) Who is the Insurer? b) What is the limit of indemnity? c) What is the relevant Policy Number?
1.					<input type="checkbox"/> Yes <input type="checkbox"/> No	a) b) c)
2.					<input type="checkbox"/> Yes <input type="checkbox"/> No	a) b) c)
3.					<input type="checkbox"/> Yes <input type="checkbox"/> No	a) b) c)
4.					<input type="checkbox"/> Yes <input type="checkbox"/> No	a) b) c)
5.					<input type="checkbox"/> Yes <input type="checkbox"/> No	a) b) c)
6.					<input type="checkbox"/> Yes <input type="checkbox"/> No	a) b) c)