

MANAGEMENT LIABILITY INSURANCE PROPOSAL FORM

PARTNERSHIP PROTECTION



Proposal Form

1. All questions must be answered giving full and complete answers.
2. Please ensure that this Proposal Form is Signed and Dated.
3. This document is designed to be completed electronically.

LAUW

LONDON AUSTRALIA UNDERWRITING





IMPORTANT NOTICES

Please read these guidance notes before completing this Proposal Form. Please also see page 7 of this Proposal Form. Where further information is required please refer to your Broker.

PLEASE NOTE

This Proposal Form is for a CLAIMS MADE policy. A CLAIMS MADE policy only responds to claims made against the Insured and notified to the Underwriters during the period of insurance.

- This Proposal Form must be typed or completed in ink and signed and dated by the Proposer. Please answer every question in full and sign and date the Declaration before returning it to your broker.
- It is the duty of the Proposer to disclose all material facts to the Underwriters, as failure to do so may render any Policy voidable or severely prejudice your rights in the event of a claim.
- For the purpose of this Proposal Form and for all purposes relating to any Policy issued pursuant to this Proposal Form, a 'material fact' shall be deemed to be one that would be likely to influence the Underwriter's judgment and acceptance of your Proposal Form. If you are in any doubt as to what constitutes a material fact, you should consult your broker.
- Should there be any material change in the answers given to the questions contained in this Proposal Form prior to the inception of the Policy, the Proposer must notify the Underwriters and, at the sole discretion of the Underwriters, any outstanding quotations may be modified or withdrawn.
- Upon acceptance of the Underwriter's terms and conditions and payment of the premium, all information provided by the Proposer, including this Proposal Form, any addenda (if applicable) and the guidance notes will be deemed to be incorporated in the contract between the Underwriters and the Insured and shall be deemed the basis of the contract of insurance.

SIGNING OF THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR THE UNDERWRITERS TO COMPLETE A CONTRACT OF INSURANCE.

Full Name of the Firm:

Address of the Principal Office of the Firm:

Website Address:

ADDITIONAL DOCUMENTATION

Along with this Proposal Form, please also provide copies of the following:

- a) The annual reports & accounts of the Firm for the last two financial years.
- b) The latest interim financial statements of the Firm (if available).

1. Please list all service companies, administration companies and all trusts (including any superannuation trust established for the benefit of the Partners and/or employees of the Firm) connected with the Firm, including any subsidiary companies thereof:

2. Please state the date of original establishment of the Firm:

3. Please list all countries where the Firm has an office:

4. Please provide a full description of the business activities of the Firm:



5. Does the Firm or any entity listed in 1 above hold a majority shareholding in any other company?

Yes No

If 'Yes' please provide further details:

6. Does the Firm have externally prepared reports and accounts in the two latest, consecutive financial years, which show:

a. unqualified reports by independent accountants?

Yes No

b. net profit (i.e. after expenses, interest, etc)?

Yes No

c. positive net worth (i.e. both balance sheets show that assets exceed liabilities)?

Yes No

d. no litigation or disputes or contingent or extraordinary liabilities?

Yes No

e. any and all of its debts can be paid as they fall due?

Yes No

If 'No' to any part of Question 6 please provide further details:

7. For the most recent, fully completed financial year, please state the following figures.

Gross total income/turnover:	AUD\$	Gross total assets:	AUD\$
Net profit/loss after all deductions:	AUD\$	Gross total liabilities:	AUD\$

IF ACTUAL FIGURES ARE NOT AVAILABLE THEN ESTIMATED FIGURES ARE ACCEPTABLE

8. Please advise the total number of Partners of the Firm:

9. During the last 24 months have any Partners terminated their relationship with the Firm?

Yes No

If 'Yes' please provide further details:

10. Does the Firm currently insure against professional negligence?

Yes No

If 'Yes' please provide:

Total limit of indemnity:	AUD\$	Insurer(s):
Expiry date:	Policy number:	

11. Is there any intention for the Firm (or any entity listed in 1 above) to make any acquisitions or disposals or be acquired by, or merged with any other entity or for there to be any other material change in the ownership of the Firm?

Yes No

If 'Yes' please provide further details:

12. Has any event of the sort referred to in Question 11 taken place in the last 24 months?

Yes No

If 'Yes' please provide further details:

13. Is insurance sought for claims in respect of legal liabilities which fall within the jurisdiction of the United States of America?

Yes No

If 'Yes' what is the Firm's:

- a. Total gross income/turnover (as a percentage of the whole) derived from the USA? _____%
- b. Total gross asset value located in the USA? AUD \$ _____
- c. Total number of employees located in the USA? _____
- d. Total number of subsidiary companies (either wholly owned or non-wholly owned) located in the USA? _____



14. Please answer the following:

- a. Does the Firm have written procedures, contracts of employment, personnel files and an employee handbook?
 Yes No
- b. Does the Firm minute all grievance and disciplinary hearings?
 Yes No
- c. Does the Firm expect there to be any redundancies or other reductions amongst its employees in the next 24 months?
 Yes No
- d. Has the Firm had more than 10% of its employees resign or be made redundant or be dismissed during the last 24 months?
 Yes No
- e. Does the Firm 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)?
 Yes No
- f. Please state the number of employees (EXCLUDING PARTNERS) that the Firm has: _____
- g. Please state the number of employees that earn more than AUD\$250,000 gross annually: _____

If "Yes" to Question 14 c), d) or e), please provide further details:

15. Has the Firm (or any entity listed in 1 above) or any Partner ever been the subject of a claim which, if insurance had been in force similar to that now proposed, would have fallen within the scope of such insurance?

Yes No If 'Yes' please provide further details:

16. Is the Firm (or any entity listed in 1 above) or any Partner aware, after enquiry, of any circumstance, act, incident or information which might give rise to a claim such as would fall within the scope of the proposed insurance?

Yes No If 'Yes' please provide further details:

17. Has the Firm (or any entity listed in 1 above) had insurance similar to that now proposed declined, cancelled or the renewal thereof refused?

Yes No If 'Yes' please provide further details:

18. Is cover required under this Policy for Partners of the Firm whilst holding Directorships in any other companies?

Yes No If 'Yes' please complete Appendix 1 - Outside Companies.

19. Please select which of the following Limits of Liability are sought for quotation:

- AUD\$500,000
 AUD\$1,000,000
 AUD\$2,000,000
 AUD\$5,000,000
 AUD\$10,000,000
 AUD\$20,000,000
 Other (please state): AUD\$ _____

STAMP DUTY

For the purpose of calculating Stamp Duty, please confirm the **number of Partners & employees** in each relevant location:

NSW	VIC	QLD	SA	WA	TAS	ACT	NT	Overseas

APPENDIX 1 – OUTSIDE COMPANIES

Name & type* of Outside Company (*e.g. private, trust, not for profit, public listed, public unlisted, etc)		Country of Incorporation	Name of Partner(s) Involved	Activity	Does the Outside Company carry its own D&O Insurance?	If Yes: a) Who is the insurer? b) What is the limit of indemnity? c) What is the current policy number?
1.	Name:				<input type="checkbox"/> Yes <input type="checkbox"/> No	a)
	Type:					b)
2.	Name:				<input type="checkbox"/> Yes <input type="checkbox"/> No	c)
	Type:					a)
3.	Name:				<input type="checkbox"/> Yes <input type="checkbox"/> No	b)
	Type:					c)
4.	Name:				<input type="checkbox"/> Yes <input type="checkbox"/> No	a)
	Type:					b)
5.	Name:				<input type="checkbox"/> Yes <input type="checkbox"/> No	c)
	Type:					a)

NOTE: AN INSOLVENCY EXCLUSION WILL APPLY TO ALL OUTSIDE COMPANIES PENDING PROVISION OF SATISFACTORY REPORTS & ACCOUNTS.



DECLARATION

The Proposer declares and warrants that after full and reasonable enquiry and to the best of his/her knowledge and belief all statements and particulars contained in this Proposal Form and (if applicable) any addenda hereto are true and that no information whatsoever has been withheld which might increase the risk of the Underwriters or influence the acceptance of this Proposal Form and that should the above particulars alter in any way confirms that he/she will advise the Underwriters as soon as is practicable.

The Proposer further declares and warrants that he/she has been duly authorised by the Partners and the Firm to act as their agent in respect of all matters of any nature or kind relating to or affecting this Proposal Form and any ensuing Policy.

The Proposer understands that failure to disclose any material facts which would be likely to influence the acceptance and assessment of this Proposal Form may result in the Underwriters refusing to provide indemnity or voiding the Policy in every respect.

The Proposer hereby agrees and accepts that this Proposal Form and (if applicable) any addenda hereto shall be the basis of the contract of insurance if entered into.

The Underwriters are hereby authorised, at their absolute discretion, to make any investigation and enquiry in connection with regard to this Proposal Form as they deem necessary.

For and on behalf of (name of Firm):

Signed:



Date:

Position:

Name of Signatory:

Position should be the Managing Partner (or equivalent) of the Firm



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:

- i. reduces the risk we insure you for; or
- ii. is common knowledge; or
- iii. we know or should know as an insurer; or
- iv. 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

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 LAUW 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.

Privacy Notice

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://lauw.com.au/privacy-policy.php>

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