

Directors & Officers Liability

INSURANCE PROPOSAL

PROPOSAL



Notice to the Proposed Insured

*This notice must be read before you complete the proposal form.
(Pursuant to the provisions of the Insurance Contracts Act 1984)*

1. DISCLOSURE OF RELEVANT FACTS

Your duty of disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter which you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of insurance.

Your duty, however, does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer
- that is common knowledge
- that the insurer knows or, in the ordinary course of business as an insurer, ought to know
- as to which compliance with your duty is waived by the insurer.

Non-Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Comment

The requirement of full and frank disclosure is of the utmost importance with this type of insurance. This is particularly the case in respect of anything which may be relevant to the risk for which you seek cover (e.g. claims, whether founded or unfounded), or to the magnitude of the risk.

2. CLAIMS MADE POLICY

This declaration is for a "claims made and notified" policy of insurance. This means that the policy covers you for claims made against you and notified to the insurer during the period of cover.

This policy does not provide cover in relation to:

- acts, errors or omissions actually or allegedly committed prior to the retroactive date of the policy (if such a date is specified);
- claims made after the expiry of the period of cover even though the event giving rise to the claim may have occurred during the period of cover;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- claims made, threatened or intimated against you prior to the commencement of the period of cover;
- facts or circumstances of which you first became aware prior to the period of cover, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy;
- claims arising out of circumstances noted on the proposal form for the current period of cover or on any previous proposal form.

Where you give notice in writing to the insurer 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 cover, 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 cover. Any such rights arise under the legislation only. The terms of the policy and the effect of the policy is that you are not covered for claims made against you after the expiry of the period of cover.

3. THE APPLICANTS FOR INSURANCE

In this proposal the Applicants for insurance are:

- The Corporation (that being the company or organisation named in this proposal and includes any **Subsidiary** thereof);
- The Insured Person(s) as defined in the policy wording; and
- Any **Outside Entity** or **Outside Directorship** for which cover is sought.

Before completing this proposal, enquiries should be made with each proposed **Insured Person** in relation to the questions and declarations to be completed on their behalf.

All terms highlighted in **bold type** are defined in QBE's standard policy wording.

You should familiarise yourself with our standard form of policy for this type of cover before submitting this declaration.



Directors & Officers Liability Insurance Proposal

IMPORTANT: Please answer ALL questions fully. If there is insufficient space please provide details on your letterhead. Where provided, tick (✓) appropriate box to indicate answer.

1. Details of Applicant

(a) Name of the Company or Organisation and ACN.
(Hereinafter referred to as the "**Corporation**" in this Proposal and in the Policy.)

(b) Principal Address:

(c) Date the **Corporation** commenced business:

 /

(d) Principal Business of the **Corporation**:

2. Details of Board of Directors

PLEASE NOTE: If your application contains the most recent Annual Report of the **Corporation** and the Board of Directors remains unchanged from that Annual Report then it is NOT necessary to complete this question. Simply tick (✓) the appropriate box below. Details of the Board of Directors of the **Corporation** are:

in the attached Annual Report detailed below

Name of Director	Qualifications	Age	Date Appointed

3. Financial Position of the Corporation

(a) Has there been any changes in the financial position or capital structure of the **Corporation** or is there any trend or event not reflected in the Annual Report and financial statements attached to this Proposal, that might materially affect the financial position shown in those statements?

Yes No

(b) Is any proposed **Insured Person** aware of facts or circumstances that might affect the ability of the **Corporation** to meet all its debts as and when they fall due?

Yes No

If you have answered Yes to either part (a) or part (b) above, please supply details.

4. Claims History of Directors and Officers

(a) Has there been or is there now pending any **Claim** against any proposed **Insured Person**, in their capacity as a director or officer of either the **Corporation** or any other company, organisation, association, or trust?

Yes No

(b) Do any circumstances exist that might give rise to a **Claim** against any proposed **Insured Person**?

Yes No

If you have answered Yes to either part (a) or part (b) above, please supply details.

5. Claims History of Corporation

(a) Has there been, or is there now pending, any action, litigation or other proceedings against the **Corporation**, including any action, litigation or other proceeding brought under or pursuant to any Commonwealth, State, or Territory legislation?

Yes No

(b) Has there been or is there now pending investigation, examination, inquiry or other proceedings in relation to the affairs of the **Corporation**?

Yes No

(c) Do any circumstances exist that might give rise to any event described under (a) or (b) above?

Yes No

If you have answered Yes to either part (a), (b) or (c) above, please supply details.

6. Shareholder Information

Does any shareholder, or associated group of shareholders, own or control (directly or beneficially) more than ten percent (10%) of the share capital of the **Corporation**?

Yes No

If Yes, please supply details of the shareholders and the percentage owned / controlled.

7. Merger, Acquisition of Takeover Activity

(a) Has the **Corporation** been involved in any merger, acquisition, takeover or divesture in the last three (3) years?

Yes No

(b) Is the **Corporation** considering any acquisition, takeover or divesture proposal at present?

Yes No

(c) Is the **Corporation** subject to any takeover attempt, or has there been any attempted takeover of the **Corporation** in the past three (3) years?

Yes No

If you have answered Yes to either part (a), (b) or (c), please supply details.

8. North American Operations

Does the **Corporation** conduct any business in the United States of America or Canada or their territories or protectorates?

Yes No

If Yes, please supply the following details.

(a) Total assets held in North America:

\$

(b) Total revenue generated from North America:

\$

(c) Are the shares of the **Corporation** traded on any USA Stock Exchange?

Yes No

(d) Does the **Corporation** have any American Depository Receipts traded in the USA?

Yes No

9. Insurance Cover

(a) Does the **Corporation** presently carry or has the **Corporation** ever carried, Directors and Officers Liability Insurance?

Yes No

If Yes, please supply details:

Insurer:

Expiry Date:

/ /

Limit of Indemnity:

\$

Premium:

\$

(b) Has the **Corporation** or any proposed **Insured Person** ever been refused this type of insurance, or had similar insurance cancelled, or had an application of renewal declined, or had special terms imposed?

Yes No

If Yes, please supply details.

10. Application for Cover

(a) Limit of Indemnity required

\$

(b) Deductible/Excess requested (Each and Every Claim).

\$

(c) Extensions:

(i) Automatic Extensions

- Advance Payment of Defence Costs
- Trade Practices and Related Legislation
- Occupation Health and Safety
- Official Investigations and Enquiries
- Subsidiary Cover (Blanket and Run-off Cover)
- Breach of Contract
- Libel and Slander
- Infringement of Copyright

Automatically included
Automatically included
Automatically included
Automatically included
Automatically included
Automatically included
Automatically included

(ii) Please indicate any Optional Extension for which you seek cover.

- Increased Aggregate Limit of Indemnity (Reinstatement) Yes No
- Outside Directorship (Blanket and Run-off Cover) Yes No
- Prospectus Liability Yes No
- Joint Venture Liability Yes No
- Pre-acquisition Liability Yes No

PLEASE NOTE:

- (a) If cover is requested for any Optional Extension, then QBE may require additional information and reserves the right to charge any additional premiums as it may require.
- (b) If cover is requested for the **Outside Directorship Extension**, please supply full details of all **Outside Directorships**, including the name of the **Outside Entity** and details of any Directors & Officers Insurance held by the **Outside Entity**. Please note that it is not necessary to submit Annual Reports or financial statements for any **Outside Entity** unless requested by QBE.

Outside Entity	Details of D&O Insurance			
	Insurer	Limit	Deductible/Excess	Expiry Date
				/ /
				/ /
				/ /
				/ /
				/ /

11. Declaration

I/We the undersigned authorised **Insured Persons**, after enquiry declare as follows:

- (1) I am/We are authorised by each of the other Applicants to make this Proposal.
- (2) I/We have read and understood the Notice to the Proposed Insured on the front of this Proposal.
- (3) I/We have read this Proposal and the accompanying documents and acknowledge the contents of same to be true and complete.
- (4) I/We understand that, up until a contract of insurance is entered into, I am/We are under a continuing obligation to immediately inform QBE of any change in the particulars or statements contained in this Proposal or in the accompanying documents.

Although the signing of this Proposal does not bind the Applicants to effect insurance, the Applicants acknowledge that the particulars and statements contained in this Proposal and in the accompanying documents shall be the basis of the contract should a Policy be issued, and further, the Applicants acknowledge that the Proposal and the accompanying documents will be incorporated in the Policy.

Signed, Chairman

Date

 / /

Signed, Managing
Director/Chief
Executive Officer

Date

 / /

Please enclose with this Proposal:

- (a) The last two (2) Annual Reports and financial statements (including audit report) of the Corporation.
- (b) The last Interim Statement of the Corporation (if applicable).
- (c) Copy of the Indemnity Clause from the Corporation's Constitution.

Your Insurance Advisor or Broker

QBE INSURANCE (AUSTRALIA) LIMITED

ABN 78 003 191 035

SYDNEY

Phone: (02) 9375 4444
Fax: (02) 9375 4992
Level 5, 82 Pitt Street
Sydney NSW 2000

MELBOURNE

Phone: (03) 9246 2900
Fax: (03) 9246 2884
Level 13, 628 Bourke Street
Melbourne VIC 3000

BRISBANE

Phone: (07) 3031 8433
Fax: (07) 3031 8434
Level 14, 133 Mary Street
Brisbane QLD 4000

ADELAIDE

Phone: (08) 8202 2367
Fax: (08) 8212 5898
Level 13, 45 Pirie Street
Adelaide SA 5000

PERTH

Phone: (08) 9213 6064
Fax: (08) 9213 6095
Level 2, 95 William Street
Perth WA 6000

www.qbe.com