

PROPOSAL FORM

# Directors & Officers Liability Insurance

[libertyinternational.com/au](https://libertyinternational.com/au)



# Proposal form



## Important Notices

### Trade Sanctions

Liberty will not be deemed to provide cover nor be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Liberty or its parent to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom, United States of America or other applicable jurisdiction.

### 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 (Cth), to disclose to the insurer every matter that 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 general insurance.

Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of its business, ought to know; or
- 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 their 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.

### Subrogation

If Liberty grants indemnity under this policy, then Liberty shall be subrogated to all of the Insured's rights of recovery against any person, trustee, company or entity whether or not a payment has in fact been made and whether or not the Insured or Insured Person has been compensated in full for their loss. The Insured must, at its own cost, provide all reasonable assistance to

Liberty (including, but not limited to giving information, signing documents and giving evidence) to help enforce those rights. The Insured must not do anything that may prejudice Liberty's position or potential or actual rights of recovery against any parties.

### Claims Made Insurance

This is a proposal for a 'Claims Made' policy of insurance. This means that the policy covers you for any claims made against you and notified to the insurer during the policy period or any applicable reporting period. The policy does not provide cover in relation to:

- any claim made, threatened or intimated against you prior to the commencement of the policy period;
- any claim or fact that might give rise to a claim, reported or which can be reported to an insurer under any insurance policy entered into before the commencement of the policy period;
- any claim or fact that might give rise to a claim, noted in this proposal or any previous proposal;
- any claim arising out of any fact you are aware of before the commencement of the policy period;
- any claim made against you after the expiry of the policy period.

However, the effect of Section 40(3) of the Insurance Contracts Act 1984 (Cth) is that where you become aware, and notify us in writing as soon as is reasonably practicable after first becoming aware but within the policy period, of any facts which might give rise to a claim against you, any claim which does arise out of such facts shall be deemed to have been made during the policy period, notwithstanding that the claim was made against you after the expiry of the policy period.

### Inadequate space to answer

If there is inadequate space to answer any of the questions or make any comment or you need to disclose something to us because of your Duty of Disclosure, please attach a separate piece of paper to this proposal giving full details of additional information.

### Included in this form

- Proposal form

### Schedule to complete if applicable

- Outside directorships

# Proposal form



## 1. COMPANY DETAILS

- a. Name of the Company \_\_\_\_\_
- b. Business Registration No. \_\_\_\_\_
- c. Address (please specify a street address only)
- Street \_\_\_\_\_
- City \_\_\_\_\_ State \_\_\_\_\_ Postcode \_\_\_\_\_
- Country \_\_\_\_\_
- d. Contact \_\_\_\_\_
- e. Name \_\_\_\_\_
- f. Position \_\_\_\_\_
- Telephone \_\_\_\_\_ Email \_\_\_\_\_
- g. Country of registration \_\_\_\_\_
- h. Date established \_\_\_\_\_
- i. Website address \_\_\_\_\_

## 2. OWNERSHIP

- a. Type of company
- |                 |                  |               |        |
|-----------------|------------------|---------------|--------|
| Private         | Government owned | Public listed | Mutual |
| Public unlisted | Not for profit   | Other         |        |
- If other, please provide details:

- b. If the Company or any of its subsidiaries have securities which are either publicly listed or have unlisted securities issued, then please provide details (including but not limited to the stock exchange, type of securities, etc):

- c. Please list all shareholders who control more than 10% of the Company's share capital and the percentage of shares held by those shareholders.

%  
%  
%  
%  
%  
%

# Proposal form



## 3. OPERATIONS

- a. Please describe the nature of the operations of the Company and its subsidiaries:

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## 4. MATERIAL CHANGES

- a. During the last three (3) years, has:

1. the name of the Company changed?	Yes	No
2. the capital structure of the Company changed?	Yes	No
3. any subsidiary of the Company been sold or ceased trading?	Yes	No
4. any acquisition involving the Company taken place?	Yes	No
5. the Company issued any prospectus or public offering of securities (including equities, debt, shares, notes, bonds or debentures?)	Yes	No

- b. Does the Company have any acquisition, tender offers or mergers pending or under consideration?
- |     |    |
|-----|----|
| Yes | No |
|-----|----|

- c. Is the Company aware of any proposed acquisition of the Company or any of its subsidiaries by any other party?
- |     |    |
|-----|----|
| Yes | No |
|-----|----|

If yes to any questions 4(a) to 4(c), please provide details:

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## 5. INTERNAL CONTROLS AND CORPORATE GOVERNANCE

a. Has the Company changed its external auditor in the last three (3) years, or is it intending to change its external auditor in the next 12 months?	Yes	No
b. Within the last 12 months, has the Company's external auditors stated that there are any material weaknesses or made any recommendations/changes in the Company's system of internal control?	Yes	No
c. Within the last three (3) years, has the Company had any disputes with its external auditors regarding internal treatment of financial information or revenue recognition practices?	Yes	No
d. Has the Company ever re-stated its financial results or is it intending to re-state its financial results in the next 12 months?	Yes	No
e. Since the date of the latest financial statements attached to this proposal, have there been any developments which have adversely impacted the financial position of the Company?	Yes	No
f. Has the Company ever been questioned by regulators concerning its continuous disclosure obligations?	Yes	No

# Proposal form



- g. Within the last 12 months have there been any changes to the board members or structure of the Company's board? Yes      No

If yes to any questions 5(a) to 5(g), please provide details:

- 
- h. Does the Company have in place policies with respect to directors and officers trading in the Company's securities? Yes      No

- i. If the Company is listed on a stock exchange, does the Company meet the required corporate governance standards and/or best practice recommendations concerning corporate governance? Yes      No

If no to question 5(h) or 5(i), please provide details:

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## 6. USA EXPOSURES

- a. Is cover required for USA operations or activities? Yes      No

If yes, please complete questions 6(a)(i) to 6(a)(vi) below. If no, proceed to question 7.

1. Does the Company have any subsidiaries or business operations in the USA? Yes      No

If yes, please list these subsidiaries and their business operations:

2. Does the Company have any equity interest in any USA based businesses or operations? Yes      No

If yes, please provide further details including the name of the entity and the Company's equity interest below:

# Proposal form



3. Please state for the Company and all of its subsidiaries:
- i. Total gross assets in the USA US\$
  - ii. Total gross turnover derived from business operations in the USA US\$
  - iii. Total number of employees located in the USA
4. Does the Company or any of its subsidiaries have any USA securities listings? Yes No
- If yes, please provide details:

5. Does the Company or any of its subsidiaries have any American Depositary Receipts (ADR's) on issue? Yes No
- If yes, please provide the following details:

- i. What was the commencement date of the ADR program?
- ii. What is the level of the ADR program (I, II, III or s144)?
- iii. How many ADR's are currently on issue?
- iv. What size is the ADR program in terms of current market capitalisation?
- v. What is the ratio of ADR's to ordinary shares?
- vi. Please list the three (3) largest holders of ADR's and their respective shareholdings:

%  
%  
%

6. Does the Company have any other USA securities on issue including any debt instruments? Yes No
- If yes, please provide details including the nature of those securities and the number in US\$ on issue:

## 7. COMPANY SECURITIES LIABILITY

- a. Would you like the policy to provide cover for the Company for its own liability as a result of claims made against it by holders of the Company's securities? Yes    No

If yes, please answer the following questions:

1. Is the Company aware of any facts which might give rise to a securities claim being made against the Company? Yes    No
2. Has there ever been, or is there now pending, any securities claim against the Company? Yes    No

If yes, please provide details of the claim including the claimant, current status, amounts paid and insurer reserve amounts:

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## 8. APPOINTMENT OF LEGAL REPRESENTATION

- a. Do you require the Defence Select option to be included? Yes    No

If Defence Select is included this gives you the right to appoint any non-panel law firm to conduct the defence and settlement of a claim.

If yes, please provide details of all law firms on retainer and their agreed rates:

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## 9. TRADE AND ECONOMIC SANCTIONS

- a. Does the Company, any of its subsidiaries or any of their directors, officers or employees have any operations or dealings, including outside directorship positions, in a jurisdiction which is subject to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom, United States of America or other applicable jurisdiction? Yes    No

If yes, please provide details:

# Proposal form



## 10. CLAIM HISTORY

Please note that questions 10(a) to 10(c) relate to all parties seeking cover under this insurance policy and enquiries should be made of all those parties prior to answering these questions.

- |                                                                                                                                                                                                                                                                     |     |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| a. Has there ever been, or is there now pending, any claim against any director or officer in their capacity as a director or officer of the Company or any of its subsidiaries?                                                                                    | Yes | No |
| b. Is the Company, any of its subsidiaries or any of their directors or officers aware of any facts which might give rise to a claim being made against any director or officer in their capacity as director or officer of the Company or any of its subsidiaries? | Yes | No |
| c. Have any of the directors, officers or employees of the Company or any of its subsidiaries ever been the subject of any disciplinary proceedings?                                                                                                                | Yes | No |

If yes to any of the questions 10(a) to 10(c), please provide further details of the claim including the claimant, current status, amounts paid and insurer reserve amounts in the space provided below:

## 11. INSURANCE HISTORY

- a. Please detail the Directors & Officers Liability insurance currently purchased by the Company:

Insurer

Policy period

Policy limit \$

Excess \$

- |                                                                                                                                                                                                                           |     |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| b. Has the Company ever had any special terms or conditions imposed on any Directors & Officers Liability policy held by the Company?                                                                                     | Yes | No |
| c. Has the Company or any directors and officers ever had any entitlement to indemnity under any insurance policy denied or otherwise affected, due to non-disclosure, misrepresentation or breach of a policy provision? | Yes | No |
| d. Has any insurer ever refused to provide terms or offer renewal terms to the Company or has any insurance held by the Company ever been avoided or cancelled by an insurer?                                             | Yes | No |

If yes to any of the questions 11(b) to 11(d), please provide further information in the space below:

# Proposal form



## 12. LIMIT OF LIABILITY

a. Limit of liability sought:

1. \$ \_\_\_\_\_ 2. \$ \_\_\_\_\_ 3. \$ \_\_\_\_\_

b. Excess sought:

1. \$ \_\_\_\_\_ 2. \$ \_\_\_\_\_ 3. \$ \_\_\_\_\_

## 13. OUTSIDE DIRECTORSHIP LIABILITY

a. The policy provides cover for Insured persons who, at the request of the Company, act as a director or officer of an outside entity.

Please complete the Outside Directorships Addendum attached to this proposal.

## 14. OPTIONAL EXTENSIONS

a. **Company Employment Practices Liability**

Would you like the policy to be extended to provide cover for claims made against the Company for employment related claims?

Yes No

If yes, please answer the following questions:

1. Does the Company have formal written employment procedures (e.g. HR manual which addresses discriminatory sexual harassment or terminations) which is issued to all employees?

Yes No

2. Please list the number of retrenchments that have occurred over the last 12 months and please advise if any are expected over the next 12 months:

3. Does the Company have a policy on how employee personal information is collected and handled?

Yes No

If no, please explain why:

4. Does the Company use outside employment counsel for employment advice?

Yes No

If no, how is this function handled?

# Proposal form



- |                                                                                                                |     |    |
|----------------------------------------------------------------------------------------------------------------|-----|----|
| 5. Does the Company have a written employment contract with any employee?<br>If yes, how many                  | Yes | No |
| 6. Does the Company have a grievance procedure for dealing with discrimination, bullying or harassment claims? | Yes | No |
| 7. Does the Company have a written progressive disciplinary program?                                           | Yes | No |

## b. Company Employment Practices Liability Claims History

- |                                                                                                                                                                                                             |     |    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 1. Has there ever been or is there now pending, any claim against the Company, any of its subsidiaries or any of their directors or officers relating to employment?<br>If yes, please attach a copy.       | Yes | No |
| 2. Is the Company or any of its subsidiaries presently subject to any judicial or administrative order, decree, judgment or conciliation agreement relating to employment?<br>If yes, please attach a copy. | Yes | No |
| 3. Is the Company, any of its subsidiaries or any of their directors or officers aware of any facts which might give rise to an employment practices claim?<br>If yes, please provide details:              | Yes | No |

## c. Backdated Continuous Cover

- |                                                                                                                                                                                                                                       |     |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 1. Would you like the policy to be extended to provide continuous cover for facts that could have been notified under a previous policy not issued or co-insured by Liberty?<br>If yes, please provide a copy of the previous policy. | Yes | No |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|

## 15. STAMP DUTY & TAX

**Important:** Please be aware that unless Liberty or its agents receive a small business declaration from you, in accordance with CH 8, Pt 5A of the Duties Act 1997 (NSW) at the time of entering into the contract of insurance, Liberty will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.

a. Please provide a breakdown of staff numbers by State, including all directors and officers

ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Overseas
-----	-----	----	-----	----	-----	-----	----	----------

- |                                                                                                                                                              |     |    |   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---|
| b. Does the Company intend to claim an input tax credit for the proposed policy premium?<br>If yes, what percentage of an input tax credit is being claimed? | Yes | No | % |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---|

## 16. ADDITIONAL INFORMATION

- |                                                                                                                                                      |     |    |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| Have you answered all questions fully and remembered to attach the following?<br>The Company's latest audited financial statements or annual report. | Yes | No |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|

# Proposal form



## 17. DECLARATION

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty of any changes to any information supplied or of any new information that is relevant
- that we understand Liberty relies on the accuracy of the information and documentation supplied proposing for this insurance
- that if a Contract of Insurance is entered into, all information and documentation supplied in proposing for this insurance will be incorporated into and form part of such Contract of Insurance
- that we have read and understood the Important Notices which form part of this proposal
- that we understand that no insurance is in force until a contract of insurance is entered into, which is upon the Proposers' acceptance of an offer by Liberty, if any
- **that the proposed Insured is a small business with a turnover of less than AU\$2 million in the last financial year. Note that if 'no' is selected or this question is left blank, Liberty will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.**

Yes No

To be signed by the chairperson and an executive officer.

Signature

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Name (please print)

---

Title: Chairperson

Date

---

Signature

---

Name (please print)

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Title: Executive Officer

Date

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### Privacy Notice

Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605) incorporated in Massachusetts, USA (the liability of members is limited) (**Liberty**) is part of the Liberty Mutual Group headquartered in the United States.

We collect personal information to provide insurance products and services, manage claims and support related business operations. This may include information collected from insurance brokers, intermediaries, or directly from you. If you do not provide the personal information requested, we may be unable to offer the appropriate type or level of service.

If you provide Liberty with personal or sensitive information about other individual, you must ensure they are aware of this notice and have consented to the disclosure. If you have not done so, please inform Liberty before sharing their data.

Your personal information may be disclosed to Liberty's related entities, reinsurers, insurance intermediaries, loss adjusters, legal and professional advisors and other service providers. We may also store your information with third party cloud or electronic storage providers.

Some recipients may be located overseas in the United States, Canada, United Kingdom, European Union, India, China, Australia, Hong Kong, Singapore and Malaysia. Where reasonably necessary, your information may be transferred to countries without comparable data protection laws to deliver the services you request. By engaging with Liberty, you consent to these cross-border transfers unless you notify us otherwise in writing.

We are committed to protecting your privacy and ensuring transparency in how we use your personal information. As part of this commitment, we confirm Liberty does not currently use automated decision-making (**ADM**).

You may access or seek correction of your personal information, make a privacy complaint, or raise any queries by contacting Liberty's Privacy Officer: [privacy.officer.ap@libertymutual.com](mailto:privacy.officer.ap@libertymutual.com). If you require a physical mailing address, please contact the Privacy Officer via email.

For more information, and to view the relevant privacy policy for your jurisdiction, visit: [Australia Privacy Policy](#).

