

Proposal Form – Supply Chain Providers Professional Pack

Professional Indemnity and Management Liability Insurance

Important Notice Relating to this Proposal

PLEASE READ THE FOLLOWING ADVICE BEFORE PROCEEDING TO COMPLETE THIS PROPOSAL FORM.

Your Professional Indemnity and Management Liability Insurance Policy is issued on a CLAIMS MADE basis.

This means that this policy responds to:

- (1) Claims first made against you during the policy period and notified to the Insurer during that policy period, providing that you were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a Claim may be made against you; and
- (2) Pursuant to Section 40, sub-section 3 of the INSURANCE CONTRACT ACT 1984 which states:

“Where the Insured gave 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 insurance cover provided by the contract”

When the policy expires, no new notification generally can be made on the expired policy even though the event giving rise to a Claim against you may have occurred during the policy period.

You will not be entitled to indemnity under your new policy in respect of any Claim arising out of circumstances of which you were aware at any time prior to policy inception which would have put a reasonable person in your position on notice that a Claim may be made against you.

When completing your proposal you are obliged to report and provide full details of all circumstances which have become known to you and which would put a reasonable person in your position on notice that a Claim may be made against you.

This is important to ensure that you make proper disclosure (refer to notice pursuant to the INSURANCE CONTRACT ACT 1984) in order that your entitlement to full indemnity under your new policy is not placed in jeopardy.

In accordance with the provisions of the INSURANCE CONTRACT ACT 1984, DUAL Australia Pty Ltd is required to advise you of your responsibilities in relation to the disclosure of relevant information.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty, under the INSURANCE CONTRACT ACT 1984 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, upon 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 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 his business, ought to know;
- As to which compliance with your duty is waived by their Insurer.

(It should be noted that this duty continues after the proposal form has been completed up until the time the policy is entered into.)

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. It is therefore vital that you make sufficient enquiries BEFORE you complete your proposal form and BEFORE you sign any declaration that there has been no change in the information proposed.

Please take notice of the following statements pursuant to the provisions of the INSURANCE CONTRACT ACT 1984.

Surrender or Waiver of any Right of Contribution or Indemnity

Where another person or company would be liable to compensate you or hold you harmless for part or all or any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after the inception of the policy that you would not seek to recover any loss or damage from that person, you are NOT covered under the policy for any such loss or damage.

Notice of Occurrences or Events

If during the period of this policy, the Insured shall become aware of any occurrence which may give rise to a Claim under the policy and shall during the period of this insurance given written notice to the Insurer of such occurrence, any Claim which may be subsequently made arising out of the occurrence of which notification has been given shall be deemed to be a Claim made during the period of this policy whenever such Claim may actually be made.

Contract by the Insured Affecting Rights of Subrogation

If the proposed contract of insurance includes a provision which excludes or limits the Insurer's liability in respect of any loss because you are a party to an agreement which excludes or limits your rights to recover damages from a third party in respect of that loss, you are hereby notified that signing any such agreement may place your indemnity under the proposed contract of insurance at risk.

When completing this Proposal Form...

- Please answer all questions giving full and complete answers.

It is the duty of the Proposer to provide all information that is requested in the proposal form as well as to add additional relevant facts.

A relevant fact is such know fact and/or circumstance that may influence in the evaluation of the risk by the insurer. If you have any doubts about what a relevant fact is, please do not hesitate to contact your broker or insurer.

- If the space provided on the Proposal Form is insufficient, please use a separate signed and dated sheet in order to provide a complete answer to any question.
- The Proposal Form must be completed, signed and dated by a person, who must be of legal capacity and authorised for the purpose of requesting directors & officers liability insurance for the firm who acts as a Proposer.

This proposal form does NOT BIND the Proposer to complete the insurance but will form part of any insurance.

Privacy Statement

DUAL Australia Pty Ltd is bound by the obligations of the Privacy Act 1988 as amended by the Privacy Amendments (Private Sector) Act 2000 regarding the collection, use, disclosure and handling of personal information. We will protect the privacy of your personal information.

We will use the information you provide in this Proposal Form (including any supplementary documentation) to consider your application for insurance, to determine policy terms, to assess a claim, etc.

We may disclose your personal information to third parties who we believe are necessary to assist us. These third parties will only use your personal information for the purposes we provided it to them (or if required by law). We may also be required to disclose your personal information to others for the purposes of public safety and/or law enforcement.

If you provide us with personal information about other individuals you must ensure that you obtain consent from those individuals to disclose that information to us.

You are entitled to access your personal information and request any correction if required.

SECTION 1: DETAILS OF THE PROPOSER

1. Proposer Name(s): _____
(Be sure to include all entities requiring cover)
2. Address of Head Office: _____
3. Postal Address: _____
4. Date of Establishment: (dd/mm/yyyy): _____
5. ABN: _____
(If more than one entity please provide details separately)
6. Contact Person: Name: _____
7. *Email Address: _____
8. Telephone Number: _____
9. Fax Number: _____
10. Web Address: _____
11. Country or State of Registration: _____

*We intend to communicate with you electronically unless you advise otherwise

SECTION 2: GENERAL INFORMATION

1. Is the Proposer a member of any professional association? Yes No
 If YES, please indicate which association
 - Customs Brokers & Forwarders Council of Australia (CBFCA)
 - Australian Federation of International Forwarders (AFIF)
 - International Air Transport Association (IATA)
 - Please provide your IATA Number: _____
 - Other association, please detail below

2. Does the Proposer have operations outside of Australia? Yes No
 If YES, does the Proposer have operations in the USA/Canada? Yes No
 If YES, please provide further details: _____

3. Please provide a breakdown of the Proposer's Agency Billings in the table below for the last financial year and the current financial year, by stating the whole amounts in Australian Dollars (\$) and the percentage:

Professional Business	Percentage Breakdown	Last Financial Year's Annual Agency Billings/ Fees/ Income	Current Financial Year's Estimated Annual Agency Billings /Fees /Income
	%	\$	\$
Customs Broking/Agency			
Freight Forwarding			
Insurance Agency			
Other (Please detail) eg: carrying and carting, warehousing			
Totals	100%		

4. In respect of Agency Billings for the last financial year, please provide a breakdown by State:

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

5. Does the Proposer have any Professional Indemnity, Directors & Officers or Management Liability Insurance cover currently in place? Yes [] No []

If YES, please state:

Professional Indemnity

D&O or Management Liability

- | | |
|---------------------------------|------------------------------|
| a. Name of the Insurer: _____ | Name of the Insurer: _____ |
| b. Policy Expiry Date : _____ | Policy Expiry Date : _____ |
| c. Retroactivity Date : _____ | Retroactivity Date : _____ |
| d. Current policy excess: _____ | Current policy excess: _____ |

(If more than one entity please provide details separately)

6. Does the proposer require Previous Business cover? (i.e. Are you seeking cover for the activities of a principal or director or partner prior to them joining your organisation) Yes [] No []

If YES, please complete the following details:

Name of Principal, Director or Partner requiring this coverage	Date Left Previous Business	Are you aware of any claims or circumstances against the previous business? If YES, please provide details

(a) Was the Professional Business conducted at the previous firm as per the details mentioned in SECTION 2: General Information. Yes [] No []

If NO, please provide further details of your Professional Business while working at the previous firm:

(b) Are you covered under the previous business policy? Yes [] No []

If YES, please provide further details:

7. (a) Does the Proposer have an agency arrangement with any Insurance Company or Financial Institution who hold an AFS Licence? Yes [] No []

(b) If so, what is the gross income amount for the past twelve months for the general distribution of insurance products?

\$ _____

8. Please provide the following details for each of the Proposer's principals, partners, directors or officers:

Name	Age	Qualifications	Date Qualified	No. Years of this Practise

SECTION 3: CLAIMS INFORMATION

1. Have any Claims been made against the Proposer for professional negligence, error or omission or any claims against the Directors and Officers of the Company in their capacity as Director or Officer of the Proposer or its Subsidiaries in the last five years?
Yes [] No []

If YES, please complete the following table, providing full details of the Claim(s), the Claim(s) amount and any payments:

Date of claim	Full details/circumstances of the claim	Amount of claim in AUD	Has this claim settled? If so, what date

2. Is the Proposer aware, after enquiry of any circumstances or incident, which may give rise to a Claim?
Yes [] No []

If YES, please complete the following table providing further details:

Full details/circumstances of the notification	Amount alleged against the proposer in AUD

3. Has the Proposer or any Directors or Officers **ever** been subject to any disciplinary action, been fined or penalised, or been the subject of any inquiry in their capacity as a Director or Officer?
Yes [] No []

If YES, please provide further details:

4. Within the last five years, has the Proposer discovered any employee dishonesty, burglary, robbery, disappearances, destruction or forgery losses?
Yes [] No []

If YES, please provide further details:

SECTION 4: MANAGEMENT LIABILITY

1. Is the Proposer listed on any stockmarket? Yes [] No []

If YES, please provide the Audited Financial Statements of the Company for the last financial year, if available.

In any event;

(a) Has there been any change in the financial position or capital structure of the Company(s) or is there any matter that is not shown in the latest financial statements that may materially affect the financial position set out in those documents? Yes [] No []

(b) Is any Director or Officer of the Company(s) aware of any facts or circumstances which may affect the ability of the Company to meet its debts as and when they fall due? Yes [] No []

If the answer to either (a) or (b) above is YES, then please provide full details:

SECTION 5: EMPLOYMENT PRACTICES LIABILITY

1. Please advise total number of:

Employees: _____ Retrenchments occurred in the last twelve (12) months: _____

Does the Company have written employment procedures (e.g. Employee Handbook) that are available to each employee?

Yes [] No []

SECTION 6: EMPLOYEE THEFT

1. Does the company segregate duties so that no one individual can control any of the following activities from commencement to completion without referral to others (ie Financial Controllers, Directors)?

a) Signing cheques, preparing cheque requisitions, reconciling bank statements or issuing funds transfer instructions above \$5,000? Yes [] No []

b) Refund of Monies or return of goods above \$5,000 Yes [] No []

2. Is there an annual independent physical count of stock that is reconciled against inventory records? Yes [] No []

SECTION 7: LIMIT OF INDEMNITY REQUIRED

1. Please select the combined Limit of Indemnity required by the Proposer for:

Professional Indemnity / Management Liability

- (a) \$ 1,000,000 []
- (b) \$ 2,000,000 []
- (c) \$ 5,000,000 []

(d) Other: Please State: _____

If Management Liability is **NOT REQUIRED**, please tick this box []

NB: Remember, Management Liability provides cover for, inter alia, OH&S and employment practices liability issues

SECTION 8: DECLARATION

SIGNING THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR THE INSURER TO COMPLETE THIS INSURANCE

The undersigned declares that the statement and particulars in this proposal form are true and that no material facts have been misstated or suppressed after enquiry. The undersigned agree that should any of the information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, the undersigned will give immediate notice thereof. The undersigned agrees that the Underwriters may use and disclose our personal information in accordance with the "Privacy Statement" at the beginning of this Proposal. The undersigned agrees that this proposal, together with any other information supplied by us shall form the basis of any contract of insurance effected thereon.

TO BE SIGNED BY THE PROPOSER FOR WHOM THIS INSURANCE IS INTENDED FOR.

SIGNATURE **DATE**
NAME
POSITION

IT IS IMPORTANT THE SIGNATORY OF THE DECLARATION ABOVE IS FULLY AWARE OF THE SCOPE OF THIS INSURANCE SO THAT THESE QUESTIONS CAN BE ANSWERED CORRECTLY. IF IN DOUBT PLEASE CONTACT THE BROKER (DETAILS BELOW), SINCE NON-DISCLOSURE MAY AFFECT AN INSURED'S RIGHT OF RECOVERY UNDER THE POLICY.

DUAL Australia recommends that you keep a record of all information supplied for the purpose of entering into an insurance contract (including copies of this Proposal Form and correspondence).

Upon completion of this form, please return it to Logical Financial Management, using one of the following methods:

Postal: Logical Financial Management
PO Box 103
DARLINGHURST NSW 1300

Facsimile: (02) 9328 3323 Email: team@lfma.com.au