



Proposal Form



ABN 69 614 898 270 | AFSL 493713

MANAGEMENT LIABILITY



02 9003 1660



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quotes@ftainsurance.com.au

General Details

1. Insured Details:

Name of Company(ies) to be insured and any subsidiaries	ABN	Date Established

Website	
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2. If the Company has a number of subsidiaries or a complex structure it could be helpful to provide a structure and/or organisation chart.

3. Please state the nature of the business of the company and its subsidiary companies

4. Does the Insured have any plans to acquire, sell, dispose of or merge with another company or business in the next 12 months?

☐ No ☐ Yes

If yes, please provide details:

5. Is the Insured aware of any proposals relating to the takeover of the company or its subsidiary companies by another company in the next 12 months?

☐ No ☐ Yes

If yes, please provide details:

6. Please provide me with Management Liability Insurance quotes for the following Limits of Liability:

☐ \$1,000,000 ☐ \$2,000,000 ☐ \$5,000,000 ☐ \$10,000,000

Director Information

7. Has any former or current director or officer of the company or its subsidiary companies (current or past) ever been declared bankrupt?

☐ No ☐ Yes

If yes, please provide details:

8. Has any former or current director or officer of the company or its subsidiary companies (current or past) ever been a director or officer of an organisation placed in receivership, liquidation or provisional liquidation?

☐ No ☐ Yes

If yes, please provide details:

9. Do any of the directors, officers or employees of the company or its subsidiary companies hold or have they held (at the specific request of the company or its subsidiary companies) any outside directorships or positions of equivalent status in any outside entities?

☐ No ☐ Yes

If yes, please provide details:

Claims Information

10. After full enquiry, is an insured or the Company aware of any claim, investigation, enquiry, audit or allegation that might be covered by our policy? Such claim, investigation, enquiry, audit or allegation could relate to (without limiting the type of claim) employment, discrimination, harassment, work place health and safety, tax or state duties or pollution.

☐ No ☐ Yes

If yes, please provide details:

11. After full enquiry, is an insured or the Company aware of any circumstance or incident that could lead to an investigation, enquiry, audit or allegation that might be covered by our policy?

☐ No ☐ Yes

If yes, please provide details:

12. After full enquiry is an insured or is the Company aware of any actual or potential misappropriation, theft, loss of money, funds or property of the Company or its clients?

☐ No ☐ Yes

If yes, please provide details:

13. After full enquiry is an insured or the Company aware of any claim or circumstance that might lead to a claim by a shareholder against any director?

☐ No ☐ Yes

If yes, please provide details:

Financial Position

14. Financial Information

Financial Year	Net Profit*	Gross Turnover	Net Assets*	Gross Assets*
Ending __ / __				
Ending __ / __				

*Please indicate a loss or negative number by surrounding with brackets

15. To the best of the knowledge and belief of the company’s and its subsidiary companies’ directors and officers, will the company and any subsidiaries and/or controlled entities be able to pay its/their debts as they fall due over the next twelve months?

☐ No ☐ Yes

If yes, please provide details (please use a separate page):

Employees

16. Does the Company or any insureds anticipate any retrenchments in the next 12 months?

☐ No ☐ Yes

If yes, please provide details as what is anticipated:

17. Does the Company carry out reference checks on all employees before they are employed?

☐ No ☐ Yes

If no, please provide details as to why not:

18. Does the Company have a sexual harassment policy that all staff are made aware of and agree to adhere to?

☐ No ☐ Yes

If no, please provide details as to why not:

19. Does the insured carry out sexual harassment training annually?

☐ No ☐ Yes

If no, please provide details as to why not:

20. Before terminating any staff or contractors does the Company always take external legal advice on the appropriate steps?

☐ No ☐ Yes

If no, please provide details as to why not:

21. Please advise the total number of employees and contractors:

Full Time	Part Time or Casual	On Hired	Contractors

22. Please provide the number of employees that earn in the following brackets:

No of employees/contractors	<\$100,000 (excluding super)	Over \$100,000 (excluding super)

23. Please give a percentage split totalling 100% of which state(s) the Company’s employees are in.

NSW	VIC	QLD	WA	SA	TAS	ACT	NT	O/S
%	%	%	%	%	%	%	%	%

Crime

24. Is there an annual audit of the Company’s accounts?

☐ No ☐ Yes

If no, please provide details (please use a separate page):

25. If the Insured has stock, is there an annual independent count of physical stock against inventory records?

☐ No ☐ Yes

If no, please provide details (please use a separate page):

26. Are countersignatures required on all cheques and dual authorisation on all bank withdrawals/transfers?

☐ No ☐ Yes

If no, please provide details (please use a separate page):

27. Does the Company segregate duties so that no one person can control the authorising of bank withdrawals or transfers, carry out the actual making of the withdrawals or transfers and the recording of the withdrawals/transfers in the Insured's accounts?

☐ No ☐ Yes

If no, please provide details (please use a separate page):

28. When carrying out a change of vendor details (including bank account) does the Company always:

- a. have someone from the Company verbally contact someone they already knew at the vendor to confirm the change (keeping a written file note of the conversation).
Alternatively, if they do not know someone at the vendor then a director of the Company should confirm the changes by verbally contacting the vendor (keeping a written file note of the conversation); and
- b. receive written confirmation from the vendor of the change of details?

☐ No ☐ Yes

If no, please provide details (please use a separate page):

Declaration

I declare that I am authorised to complete this Proposal Form on behalf of the Insured, that I have made reasonable enquiries to ascertain the truth of all the statements and that to the best of my knowledge and belief the statements and particulars in this Proposal Form are true and correct and no material facts have been omitted or misrepresented. I undertake to inform FTA Insurance of any change to any material fact which occurs before any insurance based on this Proposal Form is entered into.

☐ Tick if the insured is claiming the NSW SMALL BUSINESS STAMP DUTY EXEMPTION

At the time that the contract of insurance being applied for is effected or renewed (as applicable), I hereby declare that I am/will be a small business as defined in section 259A of the Duties Act 1997 (NSW) (the Act) for the purpose of the small business exemption in section 259B of the Act. This declaration covers policies effected or renewed during the financial year ending 30 June

Name and Position of person signing:

Date:

Important Notices

Please read the following notices. They are for your information and do not form part of the insurance contract. They do not impose contractual obligations on you or create contractual rights.

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.

NSW Small Business Eligibility:

The NSW government has abolished stamp duty on a number of policies taken out by a small business. In order to gain the exemption, the business must be a small business in accordance with the Income Tax Assessment Act 1997 (s152.10), Capital Gains Tax meaning, for the income year in which the insurance is effected or renewed. A small business for Capital Gains Tax purpose is, “an individual, partnership, company or trust that is carrying on a business, and has an aggregated turnover of less than \$2 million.” Aggregated Turnover, is the insureds annual turnover plus the annual turnovers of any business entities that are affiliates or are connected with the insured.

Incorrect or False Declaration:

A small business that wrongly claims the exemption, makes a false declaration, will be liable to a penalty of up to \$11,000 plus penalty stamp duty, interest and other costs being imposed.

Failure to provide a Declaration within the required timeframe:

The small business NSW stamp duty exemption is subject to the completed declaration being received by the Insurer. Where a small business declaration has not been provided at the time the policy is effected or renewed, the policy will be liable to duty. Please ensure you complete and return this Declaration to your Adviser as soon as possible to ensure you obtain the relevant exemption.

In executing this declaration I also confirm that:

- my obligations in respect of the NSW Small Business Stamp Duty exemption have been explained to me by my Adviser; and
- if I required any further clarity and/or understanding in respect of my eligibility I have made my own independent inquiry prior to executing this Declaration.

Claims Made Policy:

This policy is issued on a ‘claims made and notified’ basis. This means that the Insuring Clause responds to:

- claims first made against you during the Period of Insurance and notified to the insurer during the Period of Insurance, provided 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
- written notification of facts pursuant to section 40(3) of the Insurance Contracts Act 1984. The facts that you may decide to notify, are those which might give rise to a claim against you. Such notification must be given as soon as reasonably practicable after you become aware of the facts and prior to the Period of Insurance expiring. If you give written notification of facts the policy will respond even though a claim arising from those facts is made against you after the policy has expired. For your information, s40(3) of the Insurance Contracts Act 1984 is set out below:

‘S40(3) Where the insured gave notice in writing to the insurer of facts that might give rise to 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 the insurance cover provided by the contract.'

When the Period of Insurance expires, no new notification of facts can be made on the expired policy even though the event giving rise to the claim against you may have occurred during the Period of Insurance.

Underinsurance provision:

If your policy provides for 'Costs in Addition' to the limit of liability and if a payment in excess of the limit of liability available under your policy has to be made to dispose of a claim, the insurer's liability for costs and expenses incurred with its consent shall be such proportion thereof as the amount of liability available under this policy bears to the amount paid to dispose of the claim payments.

Subrogation waiver:

Our policy contains a provision that has the effect of excluding or limiting our liability in respect of a liability incurred solely by reason of the insured entering into a deed or agreement excluding, limiting or delaying the legal rights of recovery against another.

Privacy:

FTA Insurance complies with the Privacy Act 1988 and the Australian Privacy Principles therein. If we disclose personal information to you for any reason you must also act in accordance with and comply with the terms of the Privacy Act and the Australian Privacy Principles.

Agent of the Insurer:

In effecting this insurance contract FTA will be acting under an authority given to it by the insurer to effect the contract and FTA will be effecting the contract as agent of the insurer and not of the Insured.

Purpose for collection of information:

FTA Insurance Pty Ltd is committed to compliance with the Privacy Act 1988 (Cth). We use your personal information to assess the risk of and provide insurance, and assess and manage claims.

We provide your information to the insurers we represent when we receive a submission from your broker, decline, quote or issue and administer your insurance. We may also provide your information to your broker and our contracted third party service providers (e.g. claims management companies, auditors and solicitors), but will take all reasonable steps to ensure that they comply with the Privacy Act.

Our Privacy Policy contains information about how you can access the information we hold about you, ask us to correct it, or make a privacy related complaint. You can obtain a copy

from our Privacy Officer by telephone 02 9003 1660, email quotes@FTAinsurance.com.au or by visiting our website www.FTAinsurance.com.au.

By providing us with your personal information, you consent to its collection and use as outlined above and in our Privacy Policy.

Contact Details:

FTA Insurance

PO Box H344

Australia Square NSW 1215

Ph: 02 9003 1660

Email: Quotes@FTAinsurance.com.au

Website: www.FTAinsurance.com.au