Proposal Form

BusinessGuard™ Specified Professions Professional Liability Insurance

AIG Bring on tomorrow
An Important Notice

Claims-Made and Notified Insurance
This policy is issued by AIG Australia Limited (AIG), ABN 93 004 727 753 AFSL 381686 on a claims-made and notified basis. This means that the policy only covers Claims (as defined) first made against you during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. The policy does not provide cover for any Claims made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those Claims being made against you.

Section 40(3) of the Insurance Contracts Act 1984 provides that where you give notice in writing to the insurer of facts that might give rise to a Claim against you as soon as is reasonably practicable after you become aware of those facts but during the Policy Period, the insurer cannot refuse to pay a Claim which arises out of those facts, when made, because it is made after the Policy Period has expired.

This policy contains a “Prior Claims/Circumstances” Exclusion for loss in connection with any claim:

a. made prior to or pending at the inception of this policy; or
b. arising out of, based upon or attributable to any circumstance that, as of the inception of this policy, may reasonably have been expected by any Insured to give rise to a Claim.

This policy does not provide cover for Claims arising from any Wrongful Acts which take place before the Retroactive Date.

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.

Subrogation
This policy contains provisions which have the effect of excluding or limiting the insurer’s liability in respect of a loss where you have prejudiced the insurer’s rights of subrogation where you are a party to an agreement which excludes or limits insurer’s rights to recover the loss from another party. You are hereby notified of the effect of these provisions.
Privacy Notice

This notice sets out how AIG Australia Limited (AIG) collects, uses and discloses personal information about:

- you, if an individual; and
- other individuals you provide information about.

Further information about our Privacy Policy is available at www.aig.com.au or by contacting us at australia.privacy.manager@aig.com or on 1300 030 886.

How we collect your personal information

AIG usually collects personal information from you or your agents.

AIG may also collect personal information from:

- Our agents and service providers;
- other insurers;
- people who are involved in a claim or assist us in investigating or processing claims, including third parties claiming under your policy, witnesses and medical practitioners;
- third parties who may be arranging insurance cover for a group that you are a part of;
- providers of marketing lists and industry databases; and
- publically available sources.

Why we collect your personal information

AIG collects information necessary to:

- underwrite and administer your insurance cover;
- maintain and improve customer service; and
- advise you of our and other products and services that may interest you.

You have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in AIG declining cover, cancelling your insurance cover or reducing the level of cover, or declining claims.

To whom we disclose your personal information

In the course of underwriting and administering your policy we may disclose your information to:

- entities to which AIG is related, reinsurers, contractors or third party providers providing services related to the administration of your policy;
- banks and financial institutions for policy payments;
- assessors, third party administrators, emergency providers, retailers, medical providers, travel carriers, in the event of a claim;
- other entities to enable them to offer their products or services to you; and
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.
AIG is likely to disclose information to some of these entities located overseas, including in the following countries: United States of America, United Kingdom, Singapore, Malaysia, the Philippines, India, Hong Kong, New Zealand as well as any country in which you have a claim and such other countries as may be notified in our Privacy Policy from time to time.

You may request not to receive direct marketing communications from AIG.

**Access to your personal information**

Our Privacy Policy contains information about how you may access and seek correction of personal information we hold about you. In summary, you may gain access to your personal information by submitting a written request to AIG.

In some circumstances permitted under the Privacy Act 1988, AIG may not permit access to your personal information. Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful.

**Complaints**

Our Privacy Policy also contains information about how you may complain about a breach of the applicable privacy principles and how we will deal with such a complaint.

**Consent**

If applicable, your application includes a consent that you and any other individuals you provide information about consent to the collection, use and disclosure of personal information as set out in this notice.
Details of Proposer

1. a) Firm Name _________________________________________________
   b) Trading Name _________________________________________________
   c) ABN _________________________________________________
   d) Contact Person _________________________________________________
   e) Dun and Bradstreet Number _________________________________________________
   f) If you intend to claim an Input Tax Credit for the premium paid for this policy, please specify the percentage of the premium you will be claiming: _____________________%
   g) How long has the firm continually carried on business? _______________________

Firm’s main office
Street Address ______________________________________________________________
Suburb ________________________ State _______________ Postcode _________
Telephone ________________________ Facsimile _____________________________
Website ________________________ Email Address _________________________

2. a) During the past 3 years has the:
   i) Name of the Firm changed? Yes / No
   ii) Firm acquired, merged or taken over any other firm(s), or been acquired, merged or taken over by any other firm(s)? Yes / No
b) Is any acquisition, tender offer or merger pending or under consideration by the Firm? Yes / No
c) Is the Firm aware of any proposal relating to its acquisition by another company? Yes / No

If “Yes” to any of the above, please provide full details (use a separate sheet of your letter headed paper if insufficient room below), including confirmation of the position relating to past liabilities assumed by either party/ firm(s).
3. Please provide details of the current partners/principals/directors of the Firm:

<table>
<thead>
<tr>
<th>Name of partner/principal/director</th>
<th>Qualification(s)</th>
<th>Year Qualified</th>
<th>How many years as a partner/principal/director</th>
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<td>This Practice</td>
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<td>Prev. Practice</td>
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*Use a separate sheet of your letter headed paper if insufficient room above.*

4. To what professional associations does the Firm belong?

________________________________________________________________________________

5. Please provide details of current staff numbers:
   a) Partners/principals/directors ____________________________________
   b) Other qualified/technical personnel ________________________________
   c) Administration & clerical personnel _________________________________
      Total ____________________________________

6. Is any partner, principal or director of the Firm connected or associated (financially or otherwise) with any other practice or business?  
   Yes / No
   *If “Yes”, please give details of the nature of the connection/association (use a separate sheet of your letter headed paper if insufficient room below).*

________________________________________________________________________________

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________________________________________________________________________________

Details of the Business

7. Please provide the total amount of the Firm’s gross income/fees for the following periods:
   a) Previous financial year $ ____________________
   b) Current financial year $ ____________________
   c) Coming financial year (estimate) $ ________________

8. a) Please describe (in detail) the business activities of the Firm including full details of the nature of advice given:

________________________________________________________________________________

________________________________________________________________________________

________________________________________________________________________________
b) Please categorise the business activities outlined in answer to (a), and state the percentage of gross income/fees for each activity:

<table>
<thead>
<tr>
<th>Business Activities</th>
<th>% of Income/Fees</th>
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Total 100%

Use a separate sheet of your letter headed paper if insufficient room above

9. Does any one contract or client represent more than 50% of the Firm’s gross annual income/fees?  
   Yes / No

   If “Yes”, please give details of the name of the client and what service(s) are provided (use a separate sheet of your letter headed paper if insufficient room below).

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________________________________________________________________________________
________________________________________________________________________________

10. Please provide a brief description of the Firm’s five (5) largest clients or contracts during the last 3 years:

<table>
<thead>
<tr>
<th>Client name &amp; brief description of business activities</th>
<th>Income/fees</th>
<th>Contract Value</th>
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</thead>
<tbody>
<tr>
<td>a)</td>
<td>$_________</td>
<td>$_________</td>
</tr>
<tr>
<td>b)</td>
<td>$_________</td>
<td>$_________</td>
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<tr>
<td>c)</td>
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<td>d)</td>
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<td>e)</td>
<td>$_________</td>
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11. a) Are any of the Firm’s business activities performed outside of Australia or provided to clients based outside of Australia?  
    Yes / No

   If “Yes”, please give details of the name of the client(s), the country they are located within and what service(s) are provided (use a separate sheet of your letter headed paper if insufficient room below).

________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________
b) Does the Firm have any subsidiary or assets within the USA or Canada?  
Yes / No

*If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).*

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12. Is the Firm involved in a joint venture?  
Yes / No

*If “Yes”, please give details including the nature of the joint venture, the business activities provided by the Firm and the name(s) of the joint venture partners (use a separate sheet of your letter headed paper if insufficient room below).*

____________________________________________________________________________
____________________________________________________________________________
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13. a) Does the Firm engage any consultants, agents or sub-contractors?  
Yes / No

b) If “Yes” to the above, does the Firm enter into any hold-harmless agreements or otherwise waive any legal rights or entitlements which the Firm may have against such consultants, sub-contractors or agents?  
Yes / No

c) If “Yes” to (a) does the Firm always insist and confirm that the consultants, sub-contractors or agents carry their own professional indemnity insurance?  
Yes / No

*If “No” to (c), please give details of the type of business activities provided by the consultants, agents or sub-contractors and what percentage of business is sub-contracted out to consultants, agents or sub-contractors (use a separate sheet of your letter headed paper if insufficient room below).*

____________________________________________________________________________
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14. Are you a sole proprietor/practitioner?  
Yes / No

*If “Yes”, what arrangements do you have to assist you during your temporary absence on business, leave, sickness, or unforeseen emergency? (use a separate sheet of your letter headed paper if insufficient room below).*

____________________________________________________________________________
____________________________________________________________________________
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15. Does the Firm issue any brochures (or other promotional material), code of ethics, annual report or the like?  
Yes / No

*If “Yes”, please attach copies of each.*

____________________________________________________________________________
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____________________________________________________________________________
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16. Does the Firm always use a standard written contract with clients?  
Yes / No  
If “Yes”, please attach a sample copy together with any disclaimers or warranties used. Go to Question 18.

17. If “No” to the above question, does the Firm use external legal counsel to review non-standard contracts with clients?  
Yes / No  
If “No”, please advise below in what circumstances are non-standard contracts used without external legal counsel review (use a separate sheet of your letter headed paper if insufficient room below).

_________________________________________________________________________________
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18. Does the Firm operate any quality assurance systems or risk management programs?  
Yes / No  
If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).

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Claims Information

19. After enquiry of the partners/principals/directors and employees, has there been or is there now pending a claim against the Firm, it’s predecessors in business or it’s current or former partners/principals/directors or employees for a Breach of Professional Duty?  
Yes / No  
If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).

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20. After enquiry of the partners/principals/directors and employees is the Firm aware of any circumstance or incident which may give rise to a claim against the Firm or it’s partners/principals/directors or employees?  
Yes / No  
If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).

_________________________________________________________________________________
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21. After enquiry of the partners/principals/directors and employees is the Firm aware of any prosecution or investigation (actual or pending) of the Firm or any partners/principals/director or employees under any International, Commonwealth, State or Local statute, legislation, regulation or By Law?  
Yes / No

If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).

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22. After enquiry of the partners/principals/directors and employees, has the Firm or any partners/principal/director or employee ever been subject to any disciplinary action, been fined or penalised, or been the subject of an inquiry investigating or alleging professional misconduct?  
Yes / No

If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).

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Details of Insurance

23. As at today’s date does the Firm have Professional Indemnity Insurance currently in force that has been paid for? Yes / No

If “Yes”, please state

a) Insurer ___________________________________

b) Indemnity Limit _______________________________

c) Expiry Date ____/____/____

d) Retroactive Date ____/____/____

24. Has the Firm ever had any Insurer decline a proposal, imposed any special terms, cancelled or refused to renew a Professional Indemnity Insurance Policy? Yes / No

If “Yes”, please give details (use a separate sheet of your letter headed paper if insufficient room below).

_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________

25. What limit(s) of liability does the Firm require quotations for?

_____ $1 million  _____ $2 million  _____ $5 million

_____ $10 million  _____ Other: ________________________________
26. What self insured retention is the Firm prepared to carry?

   ____ $1,000   ____ $2,000   ____ $5,000
   ____ $10,000   ____ Other: _______________________________________

Optional Extension for Employment Practices Liability

27. a) Would you like a quotation for Employment Practices Liability coverage?  Yes / No

b) If ‘Yes’ has any Claim arising from employment practices liability ever been made against the Insured or, after enquiry of the partners/principals/directors and employees, is the Firm aware of any circumstances which may give rise to a Claim against the Firm or any its partners/principals/directors or employees?  Yes / No

   If “Yes”, please supply the relevant details and advise what precautions have been taken to prevent a recurrence (use a separate sheet of your letter headed paper if insufficient room below).

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Optional Extension for Fidelity

28. a) What Fidelity Cover sub-limit(s) do you require quotations for?

   ____ $50,000   ____ $250,000
   ____ $100,000   ____ Cover not required

b) As at today’s date, does the Firm currently have any fidelity guarantee/crime insurance?  Yes / No

   If “Yes”,
   a) Insurer ___________________________________
   b) Indemnity Limit _______________________________
   c) Expiry Date ____/____/____
   d) Deductible ____/____/____

c) Has the Firm ever sustained any loss through the fraud or dishonesty of any employee, or after enquiry of the partners/principals/directors and employees, is the Firm aware of any circumstances which may give rise to a loss against the Firm?  Yes / No

   If “Yes”, please supply the relevant details and advise what precautions have been taken to prevent a recurrence (use a separate sheet of your letter headed paper if insufficient room below).

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d) Are monies, securities and/or negotiable instruments subject to control by at least one Partner, Principal or Director and one authorised signatory?  Yes / No

e) Is bank reconciliation carried out by someone not authorised to deposit into or withdraw from the bank accounts?  Yes / No

f) When recruiting or promoting Employees to positions of trust involving handling of stock, money, financial or treasury functions, does the Firm undertake independent checks in their employment history?  Yes / No
Stamp Duty Split

29. For the purpose of calculating Stamp Duty please state the number of current staff (including directors/partners, full/part time and casual employees) located in each state:

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<th></th>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>ACT</th>
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Total of all employees above: _______________

Declaration and Consent

Please Note: Signing the Declaration does not bind the proposer or the Insurer to complete this insurance.

I declare that I have made all necessary inquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars given in this proposal are true and complete and that no material facts have been omitted, misstated or suppressed. I agree that should any of the information given by me alter between the date of this proposal and the inception date of the insurance to which this proposal relates, I will give immediate notice thereof to the insurer.

I acknowledge receipt of the Important Notice, Privacy Notice and Disclosure information contained in this proposal and that I have read and understood the content of them.

I consent to AIG collecting, using and disclosing personal information as set out in AIG’s privacy notice in this proposal and the policy. If I have provided or will provide information to AIG about any other individuals, I confirm that I am authorised to disclose the other individual’s personal information to AIG and also to give the above consent on both my and their behalf.

I confirm that I am authorised by the proposing Firm (and its partners/principals/directors if applicable) to complete this proposal form and to accept the quotation terms for this insurance on behalf of the Firm (and its partners/principals/directors if applicable).

Name: ___________________________________________________________________
Title: ___________________________________________________________________
Signature: ___________________________________________________________________
Date: ___________________________________________________________________