

Proposal Form



CorporateGuard Civil Liability Insurance



Bring on tomorrow



Proposal Form

CorporateGuard Civil Liability Insurance

An Important Notice

Your Civil Liability Insurance Policy is issued on a **Claims Made** basis.

This means that the 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 Contracts 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 the 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:

- (a) If you are currently insured with AIG Australia Limited, and you notify a Claim prior to the expiry date of your current policy, that you are covered under your current policy, in respect of any Claim arising out of the circumstances; and
- (b) That you make proper disclosure (refer separate notice pursuant to the Insurance Contracts 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 Contracts Act 1984, AIG Australia Limited is required to advise you of your responsibilities in relation to the disclosure of relevant information.

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.

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 currency 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 give 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.

Contracts 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 given full and complete answers.
- 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.
- Please ensure that the Proposal Form is properly signed and date



Proposer Details

1. Name of Proposer _____
2. Principal Address _____

3. Do you hold a registration pursuant to A New Tax System (Goods and Services Tax) Act 1999? Yes / No
If so, what is your registration number? _____
4. Do you or any other entity insured under the policy intent to claim an input tax credit for the premium of the policy? Yes / No
If so, to what extent is an input tax credit being claimed by any and which insureds?

5. Do you hold a Dunn & Bradstreet Number? Yes / No
If so, what is your Dunn & Bradstreet number? _____
6. Has the Proposer been involved in, or been subject to, any mergers or acquisitions in the past five years? Yes / No
If "yes", please provide details: _____

7. Are any plans for merger or acquisition, consolidation or divestment being considered? Yes / No
If "yes", please provide details on a separate sheet.
8. Is the Proposer:
 - (a) privately owned? Yes / No
 - (b) publicly owned? Yes / No
 - (c) listed on the Australian Stock Exchange? Yes / No
 - (c) listed on a US Stock Exchange? Yes / No
 - (d) listed on any other Foreign Exchange? Yes / No
 - (e) intending a new public offering of securities? Yes / No
If "yes", please provide details _____

9. Please state:
Civil Liability Proposal (02-14)



(b) total number of shares held by directors and officers _____

(b) all shareholdings greater than 15% of the ordinary share capital

Shareholder	% Held
_____	_____
_____	_____
_____	_____
_____	_____

10. Please state:

	Current Year	Previous Year
(a) Number of employees (including temporary staff and outsourced employee roles)	_____	_____
(b) Number of Personnel/training staff	_____	_____
(c) Compliance department and internal audit staff numbers	_____	_____
(d) Directors & officers	_____	_____
(e) Sales staff, professional staff or any employees directly involved with third parties	_____	_____
(f) Support staff	_____	_____

11. (a) please state the percentage split between distribution channels used by the Proposer:

	Current Year %	Previous Year %
(i) advisory staff/professional/sales staff	_____	_____
(ii) Directly (via mail, telephone, etc)	_____	_____
(iii) Agents, IFA's	_____	_____
(iv) internet	_____	_____

12. Does the Proposer monitor the advice provided by individuals that are not under their daily control and supervision? (e.g. Agents / IFA's) Yes / No
 If "no", please provide details on a separate sheet.



Proposer Services

1. Please provide the approximate percentages of the Proposer's total revenues which were derived from the following activities

	Current Year %	Previous Year %
(a) Loans	_____	_____
(b) Trade financing	_____	_____
(c) Securities trading/dealing	_____	_____
(d) Commodities trading/dealing	_____	_____
(e) Derivatives or specialist trading/dealing	_____	_____
(f) Structured financial product advice	_____	_____
(g) Acting as securities broker/dealer	_____	_____
(h) Acting as custodian/depositor or managing agent for securities or money	_____	_____
(i) Financial, investment or economic advisor with regard to any of the following:		
(i) mergers, acquisitions or capital restructuring	_____	_____
(ii) share placing/new issues	_____	_____
(iii) venture capital	_____	_____
(iv) other	_____	_____
(j) Administration of trusts, estates or guardianships	_____	_____
(k) Asset or fund management	_____	_____
(l) Provision of insurance products or services	_____	_____
(m) Acting as a dividend disbursement agent redemption or subscription agent, warrant or script agent, fixed or paying agent, tax withholding agent, escrow agent, registrar, transfer agent or clearing agent	_____	_____
	Current Year %	Previous Year %
(n) Acting as a tax planner and or tax advisor to trusts, estates and individuals	_____	_____
(o) Acting as a real estate broker, or providing surveying or conveying services	_____	_____
(p) Sale of traveller cheques, certified cheques or money orders, or administration or sale of credit cards, or credit card services	_____	_____



(q) Please list any other services or activities not stated above:

2. Has the Proposer offered any new services over the past 12 months or is there the intention to do so over the next 12 months? Yes / No

If "yes", please provide details:

3. Are all the advisory services rendered subject to written agreement, contractual agreement, service agreement or letter of appointment? Yes / No / N/a

If "no", please provide details on a separate sheet.

4. If the Proposer offers corporate finance advice, are there procedures in place to ensure that the advice being provided has been reviewed by someone other than the deal originator in respect of appropriateness and suitability for the specific client Yes / No / N/a

If "no", please provide details on a separate sheet.

5. If the Proposer acted on behalf of clients during the past 12 months, for any merger, acquisition, takeover, or any form of floatation, were the transactions successfully completed? Yes / No / N/a

If "no", please provide details on a separate sheet.

6. If the Proposer offers financial advice to third parties, (for such products including but not limited to pensions, ISA's, insurance or investment products), are there procedures in place to ensure suitable advice is provided in accordance with a client's requirements? Yes / No / N/a

If "no", please provide details on a separate sheet.

7. If the Proposer performs financial or investment advisory services that are subject to an engagement letter or service agreement, are there procedures in place to monitor and ensure that the terms of such an agreement are being adhered to by the Proposer? Yes / No / N/a

If "no", please provide details on a separate sheet.

8. Are all publications, marketing literature, or other product services



communications (electronic or documentary), subject to legal review prior to their release to third parties? Yes / No / N/a

If "no", please provide details on a separate sheet.

9. If the Proposer offers any form of trading service, please detail the following N/a

- (a) The percentage split in income between:
 - (i) Proprietary _____
 - (ii) Third party trading _____
- (b) The percentage split in third party fee income derived from investments in:
 - (i) Listed securities _____
 - (ii) Unlisted securities _____
 - (iii) Emerging markets (listed/unlisted) _____
 - (iv) Debt instruments _____
 - (v) Derivative instruments _____
- (c) Does the Proposer have adequate controls and procedures in place in order to ensure the following?
 - (i) Accuracy of transactions Yes / No
 - (ii) Trading limits are adhered to and monitored Yes / No
 - (iii) Segregation between front & back office functions is maintained Yes / No
 - (iv) Timely recognition of any material trading losses Yes / No
 - (v) New products/services undergo a robust due diligence/approval process Yes / No

10. Does the Proposer offer trust management services? Yes / No

If "yes", are these services limited to purely administration services? Yes / No

If "no", do these services include investment appraisal, investment advice, or investment management? Yes / No

- (a) Please provide the value of:
 - (i) Total trusts under management _____
 - (ii) Asset value of the largest account _____
 - (iii) Highest fee _____

11. If the Proposer acts as a fund manager or investment manager/advisor please provide:

	Current Year \$	Previous Year \$
(a) Funds under management (FUM)	_____	_____
(i) Net asset value	_____	_____



(ii) Lost accounts	_____	_____
(iii) New accounts	_____	_____

(b) The percentage split between: (please note that (i) and (ii) are separate questions)

(i) Discretionary FUM	_____	%
Non-discretionary FUM	_____	%
(ii) Assets in Funds	_____	%
Assets in Commingled funds	_____	%

(c) Please indicate the percentage split of the Funds Under Management (FUM) in the following territories:

	Current Year %	Previous Year %
(i) Australia	_____	_____
(ii) UK and Europe	_____	_____
(iii) North America	_____	_____
(iv) Far East / Middle East / Asia	_____	_____
(v) South America	_____	_____

(d) Please indicate the percentage split of the Funds Under Management (FUM) invested in the following areas:

(i) Securities	_____	_____
(ii) Debt	_____	_____
(iii) Unlisted or private investment	_____	_____
(iv) Property	_____	_____
(v) Commodities, derivatives, or specialist investment strategy	_____	_____

(e) Are performance reports regularly issued to clients? Yes / No



Internal Controls

12. Does the Proposer have a fully staffed and appropriately qualified:
- (a) Internal Audit Department Yes / No
 - (b) Compliance Department
13. Are regular audits conducted by the internal audit department on a risk critical basis? Yes / No
14. Does the internal audit team periodically perform independent checks on:
- (a) Segregation of duties? Yes / No
 - (b) Accuracy of records? Yes / No
 - (c) Reporting procedures to management/clients? Yes / No
 - (d) Management and supervisory procedures Yes / No
 - (e) Training requirements, and competency of staff? Yes / No
 - (f) Suitability of advice provided to third parties Yes / No
 - (g) Adequacy of systems Yes / No
 - (h) Authority levels (appropriateness and monitoring)? Yes / No
15. Are any recommendations made by internal auditors or external auditors implemented as soon as possible? Yes / No
- If "no", please provide details on a separate sheet

Regulatory and Compliance

16. Does the Proposer have a dedicated Compliance Office/department who is charged with ensuring compliance by all staff of the regulatory rules, principles, codes and guidelines? Yes / No
- If "no", please provide details on a separate sheet.
17. Has the Proposer, or any of its directors, officers, partners or employees been subject to any regulatory investigation? Yes / No
- If "yes", please provide details on a separate sheet.



18. (a) Did such an investigation result in disciplinary proceedings, admonishments or recommendations? Yes / No
If "yes", please provide details on a separate sheet.
- (b) If "yes", were all recommendations implemented? Yes / No
If "no", please provide details on a separate sheet.
19. If applicable, are all recommendations made following a regulatory visit fully implemented? Yes / No
If "no", please provide details on a separate sheet.

Internet Banking / E-Commerce

20. Do you provide an Internet facility? Yes / No
If "yes", do you provide any of the following
- (a) Product information only? Yes / No
- (b) Account balance? Yes / No
- (c) Pre-authorized account to account transfers? Yes / No
- (d) Loan applications? Yes / No
- (e) Interactive mortgage applications? Yes / No
- (f) Business/company account management? Yes / No
- (g) Insurance products? Yes / No
- (h) On-line securities dealing? Yes / No
- (i) Other, (please specify) Yes / No
21. Please select the method used to verify the identity of the users transacting via the Internet:
- (a) Static password _____
- (b) One-time password _____
- (c) Public/private key encryption _____
- (d) Digital signatures _____
- (e) Other, (please specify) _____
22. How is the integrity of any given transaction protected?
- (a) 128 bit encryption _____
- (b) Message authentication _____
- (c) Receipt confirmation _____
- (d) Other (please specify) _____



23. How does the Proposer prevent unauthorised access to client's/investors'/main processing systems?
- (a) Firewall _____
- (b) Off-line front-end processing _____
- (c) On-line front-end filtering _____
- (d) Other (please specify) _____
24. Do you utilise a tracking device in relation to the Internet facilities? Yes / No
25. (a) Do you have formal terms and conditions for the use of your Internet service which outlines the obligations and responsibilities of the users? Yes / No
- (b) Does the Proposer have procedures in place to monitor to whom their services are provided, taking into account any jurisdictional or cross border issues? Yes / No
26. Do you use any anti-viral software? Yes / No
- If "yes", is it upgraded on a regular basis? Yes / No

Claims Information

27. Is the Proposer aware, after full enquiry, of any form of a client complaint (brought by the client, or on their behalf by a regulator)? Yes / No
- If "yes", please provide full details on a separate sheet.
28. Has any claim been brought against the Proposer or any of its directors, officers, partners, trustees or employees during the last 5 years? Yes / No
- If "yes", please provide full details on a separate sheet.
29. Does the Proposer, after full enquiry, or any of its directors, officers, partners, trustees or employees, have any knowledge of any act, omission, event or circumstances which could give rise to a claim? Yes / No
- If "yes", please provide full details on a separate sheet.



Stamp Duty Information

30. For the purpose of calculating Stamp Duty please confirm the location of the Company's staff numbers as follows:

ACT	NSW	QLD	NT	SA	TAS	VIC	WA	Overseas

Signing this Proposal Does Not Bind the Proposer to Complete this Insurance.

Declaration

We declare that the statements and particulars in this proposal are true and that no material facts have been misstated or suppressed after enquiry. We 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, we will give immediate notice thereof to the insurer. We agree that this Proposal together with any other information supplied by us shall form the basis of any contract of insurance affected thereon.

We consent to AIG collecting, using and disclosing personal information as set out in AIG’s privacy notice in this Proposal and the Policy.

If we have provided or will provide information to AIG about any other individuals, we confirm that we are authorised to disclose his or her personal information to AIG and also to give the above consent on both our and their behalf.

We acknowledge receipt of the “Important Notice” contained in this Proposal and that we have read and understood the content of that Notice.

(To be signed by the Chairman and one other Executive Officer)

Name _____
 Title _____
 Signature _____
 Date _____

Name _____
 Title _____
 Signature _____
 Date _____

Head Office

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