Proposal Form

BusinessGuard™
Recruitment and Personnel Consultants
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: _________________________%

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

4. Are you a current member of the Recruitment & Consulting Services Association (RCSA)? Yes / No

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

Details of the Business

6. Please state gross income/fees for each of the activities set out below:

<table>
<thead>
<tr>
<th>Services</th>
<th>Past 12 Mths Actual</th>
<th>Next 12 Mths Est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment Services (permanent placement only) - candidate placement, permanent placement and executive search</td>
<td>$_________</td>
<td>$_________</td>
</tr>
<tr>
<td>Employment Consulting Services in the areas of occupational health &amp; safety, human resources, employment equal opportunity, employee relations, change management, outplacement, psychological testing, training &amp; induction and payroll management for On-Hired Contractors only.</td>
<td>$_________</td>
<td>$_________</td>
</tr>
<tr>
<td>On-Hired Employee Services - labour hire of employees, trainees and apprentices.</td>
<td>$_________</td>
<td>$_________</td>
</tr>
<tr>
<td>Incorporated Contractors – labour hire of individuals, partnerships, companies and trusts.</td>
<td>$_________</td>
<td>$_________</td>
</tr>
</tbody>
</table>
Claims Information

Please note that this policy does Not cover known or prior claims or circumstances. Please see the Important Notice at the front of this proposal form for more information.

7. After enquiry of the partners/principals/directors and employees, has there been or is there now pending a claim against the Firm, its predecessors in business or its 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).*

________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

8. 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 its 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).*

________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________

9. 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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10. After enquiry of the partners/principals/directors and employees, has the Firm or any partners/principals/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

11. As at today’s date, does the Firm have professional indemnity insurance in force which has been paid for? Yes / No
   If “Yes” please state:
   a) Insurer ________________________________
   b) Indemnity Limit ________________________________
   c) Expiry Date ____/____/______
   d) Retroactive Date ____/____/______

12. 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).
   __________________________________________________________________________________
   __________________________________________________________________________________
   __________________________________________________________________________________

13. What limit(s) of liability does the Firm require quotations for?
   ___ $1 million   ___ $2 million   ___ $5 million
   ___ $10 million   ___ Other: ____________________________________

14. 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

15. 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).
   __________________________________________________________________________________
   __________________________________________________________________________________
   __________________________________________________________________________________
Optional Extension for Fidelity

16. 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).

   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
### Optional Extension for On-hired Employee Vicarious Liability

17. a) Do you want the policy to cover the Firm for claims alleging the Firm is vicariously liable for loss caused by its On-Hired Employees?  
   **Yes / No**

b) If “Yes” to the above please show in the categories below, the gross wages that are paid to your employees who are on-hired to a host employer:

<table>
<thead>
<tr>
<th>Category</th>
<th>Past 12 Mths Actual</th>
<th>Next 12 Mths Est.</th>
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</thead>
<tbody>
<tr>
<td>i) Clerical/Secretarial</td>
<td></td>
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<td>ii) Professionals</td>
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<tr>
<td>a) Accountants</td>
<td></td>
<td></td>
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<td>b) Architects</td>
<td></td>
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<td>c) Construction</td>
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<td>d) Engineers</td>
<td></td>
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<td>e) IT Consultants</td>
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<td>f) Healthcare/medical services</td>
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<td>g) Other</td>
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<td>iii) Non-professionals</td>
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<tr>
<td>h) Industrial</td>
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<tr>
<td>i) Mining</td>
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<td>j) Labourers</td>
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<td>k) Other</td>
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*If you have indicated “Other” above, please use a separate sheet of your letter headed paper if insufficient room below:*

________________________________________________________________________________  
________________________________________________________________________________  
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Risk Management Questions

18. a) Does the Firm always conduct at least two verbal reference checks and specifically ask each referee about the honesty and trustworthiness of a candidate? Yes / No

b) If “No” to the above, does the Firm advise clients that verbal reference checks have not been conducted and disclaim in writing any responsibility for subsequent loss arising from the failure to conduct such checks? Yes / No

If “No”, please provide details of why not (use a separate sheet of your letter headed paper if insufficient room below).

_________________________________________________________________________________
_________________________________________________________________________________
_________________________________________________________________________________

19. a) Does the Firm always use the RCSA On-Hire Agreement (Conditions of Assignment) when placing On-Hire Employees? Yes / No

b) If “No” to the above, do they use an agreement which is worded in substantially the same terms as the RCSA On-Hired Agreement including a complete description of the services to be supplied and a full disclaimer of liability in respect of personnel supplied? Yes / No

If “No” to either of the above, please provide a copy of the agreement used.

_________________________________________________________________________________
_________________________________________________________________________________

20. 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).

_________________________________________________________________________________
_________________________________________________________________________________

Stamp Duty Split

21. 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:

<table>
<thead>
<tr>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>ACT</th>
<th>NT</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: ____________________________________________________________________