



Directors & Officers Liability Insurance Proposal Form

# D&O Proposal

## Important Notice

### Claims Made Insurance

This is a proposal for a 'Claims Made' policy of insurance. This means that the policy covers you for any claims made against you and notified to the insurer during the policy period. The policy does not provide cover in relation to:

- acts, errors or omissions that occurred prior to the retroactive date (if one is specified) in the policy;
- any claim made, threatened or intimated against you prior to the commencement of the policy period;
- any claim or fact that might give rise to a claim, reported or which can be reported to an insurer under any insurance policy entered into before the commencement of the policy period;
- any claim or fact that might give rise to a claim, noted in this proposal or any previous proposal;
- any claim arising out of any fact you are aware of before the commencement of the policy period;
- any claim made against you after the expiry of the policy period.

However, should you become aware, and notify us in writing as soon as is reasonably practicable after first becoming aware but within the policy period, of any facts which might give rise to a claim against you, any claim which does arise out of such facts shall be deemed to have been made during the policy period, notwithstanding that the claim was made against you after the expiry of the policy period.

### Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, 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, on 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 its business, ought to know;
- as to which compliance with your duty is waived by the insurer.

### Non Disclosure

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.

# Directors & Officers Liability Proposal Form

**IMPORTANT:** Please answer all questions fully. If the space provided in this proposal form is insufficient please attach your response using Company letterhead. Please also attach the Company's latest audited financial statements or annual report.

## Details of the Company

1. Name of the Company

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2. Company Certificate No:

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3. Address

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City

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Country

Postcode

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4. Contact

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Telephone

Facsimile

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5. Country of Registration

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6. Date Established

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7. Website Address

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8. Type of Company

Private

Government Owned

Public Listed

Mutual

Public Unlisted

Not for Profit

Other

If "Other" please provide details

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## Operations

9. Please describe the nature of the operations of the Company and its subsidiaries.

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## Mergers, Acquisitions, Structural Changes

10. During the last 3 years has:

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| a) the name of the Company changed?                           | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b) the capital structure of the Company changed?              | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| c) any subsidiary of the Company been sold or ceased trading? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| d) any acquisition involving the Company taken place?         | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If the answer to any of the above questions is "Yes" please provide details

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|--|------------------------------|-----------------------------|
| 11. a) Has the Company any acquisition, tender offers, or mergers pending or under consideration                 | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| b) Is the Company aware of any proposed acquisition of the Company or any of its subsidiaries by any other party | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If the answer to any of the above questions is "Yes" please provide details

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## Share Ownership & Securities

12. What is that the total number of ordinary shares outstanding in the Company? \_\_\_\_\_

13. What is the total number of shareholders in the Company? \_\_\_\_\_

14. What is the total number of shares held by directors of the Company? \_\_\_\_\_

15. Please list all shareholders who control more than 5% of the Company's voting share capital and the percentage of shares held by those shareholders

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

16. On what stock exchanges are the Company's shares traded?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

17. Does the Company have on issue any securities which are convertible into shares? Yes  No

If "Yes", please provide details

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

18. Is the Company a subsidiary of another company? Yes  No

If "Yes" please provide details

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Internal Controls & Corporate Governance

19. Has the Company changed its external auditor in the last 3 years or intending to change their external auditor in the next 12 months? Yes  No

If "Yes" please provide further information including details on why

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20. Within the last 12 months has the Company's external auditors stated that there are any material weaknesses in the Company's system of internal control? Yes  No

If "Yes" please provide details

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21. Within the last 12 months has the Company had any disputes with its external auditors regarding internal treatment of financial information? Yes  No

If "Yes" please provide details

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22. Have all the revenue recognition practices used by the Company been approved by its external auditor? Yes  No

If "No" please provide details

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23. Has the Company ever re-stated its financial results or is it intending to re-state its financial results in the next 12 months? Yes  No

If "Yes" please provide details

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24. Since the date of the latest Financial Statements attached to this proposal, have there been any developments which have adversely impacted the financial position of the Company? Yes  No

If "Yes" please provide details

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25. If the Company is listed on a Stock Exchange does the Company meet the required Corporate Governance standards and/or best practice recommendations concerning corporate governance? Yes  No

If "No" please advise which recommendations are not met and why

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26. Has the Company ever been questioned by regulators concerning their continuous disclosure obligations? Yes  No

If "Yes" please provide details

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27. Does the Company have in place policies concerning the trading in company securities by its directors or officers? Yes  No

If "Yes" please provide details

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28. Within the last 12 months have there been any changes to the board members or structure of the Company's board? Yes  No

If "Yes" what are the reasons for these?

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## USA Exposures

29. What are the total gross assets the Company or any subsidiary has in the USA?

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30. Does the Company have any subsidiaries in the USA? Yes  No

If "Yes" please list these subsidiaries and their business operations

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31. Does the Company have any equity interest in any US based businesses or companies? Yes  No

If "Yes" please provide further details including the name of the entity and the Company's equity interest.

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32. Does the Company or any of its subsidiaries have any direct USA securities listings? Yes  No

If "Yes" please provide details

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33. Does the Company or any of its subsidiaries have any American Depositary Receipts (ADRs) on issue? Yes  No

If "Yes" please provide the following details:

- a) What was the commencement date of the ADR programme? \_\_\_\_\_
- b) What is the level of the ADR programme (I, II, III or s144)? \_\_\_\_\_
- c) How many ADR's are currently on issue? \_\_\_\_\_
- d) What size is the ADR programme in terms of current market capitalisation? \_\_\_\_\_
- e) What is the ratio of ADR's to ordinary shares? \_\_\_\_\_
- f) Please list the 3 largest holders of ADR's and their respective shareholdings \_\_\_\_\_ %  
 \_\_\_\_\_ %  
 \_\_\_\_\_ %

34. Does the Company have any other USA securities on issue including any debt instruments? Yes  No

If "Yes", please provide details including the nature of those securities and the number in dollar terms on issue

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## Claim History

Please note that Questions 35 to 37 relate to all parties seeking cover under this insurance policy and enquiries should be made of all those parties prior to answering these questions.

35. Has there ever been, or is there now pending, any claim against any directors or officers in their capacity as a director or officer of the Company or its subsidiaries? Yes  No

If "Yes", please provide details of the claim including the claimant, current status, amounts paid and insurer reserve amounts.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

36. Is the Company or its directors and officers aware of any facts which might give rise to a claim being made against any director or officer in their capacity as director or officer of the Company or its subsidiaries? Yes  No

If "Yes", please provide details.

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37. Have any of Company's principals, partners, directors, officers or employees ever been the subject of any disciplinary proceedings? Yes  No

If "Yes", please provide details.

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## Insurance History

38. Please detail the Directors & Officers Liability Insurance currently purchased by the Company.

<i>Insurer</i>	<i>Policy Period</i>	<i>Policy Limit</i>	<i>Deductible</i>
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39. Has the Company ever had any special terms or conditions imposed on any Directors & Officers Liability policy held by the Company? Yes  No

If "Yes", please provide details

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40. Has the Company or any directors and officers ever had any entitlement to indemnity under any insurance policy denied, or otherwise affected due to non-disclosure, misrepresentation or breach of a policy provision? Yes  No

If "Yes", please provide details

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41. Has any insurer ever refused to provide terms or offer renewal terms to the Company or has any insurance held by the Company ever been avoided or cancelled by an Insurer?

Yes

No

If "Yes", please provide details

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## Limit of Liability

42. Limit of Liability sought:

a) \_\_\_\_\_

b) \_\_\_\_\_

c) \_\_\_\_\_

43. Excess sought:

a)

\_\_\_\_\_

b)

\_\_\_\_\_

## Outside Directorship Liability

44. Would you like the policy to be extended to include directorships held by your directors, officers or employees, at the Company's specific request, at entities other than the Company or any subsidiary?

Yes

No

If "Yes", please complete the Outside Directorship Addendum attached to this proposal. Please do not include not-for-profit entities as directorships held in such entities are automatically covered under the policy.

## Optional Extensions

45. Former Directors & Officers

Would you like the policy to be extended to provide 84 months run off cover for retired directors and officers subject to certain provisions concerning time of resignation and the existence of replacement policies?

Please refer to the policy wording and in particular Optional Extension 3.1 for precise details regarding this cover.

Yes

No

46. Company Securities Liability

Would you like the policy to be extended to provide cover for the Company for its own liability as a result of claims made against it by holders of the Company's securities?

Please refer to the policy wording and in particular Optional Extension 3.2 for precise details regarding this cover.

If the answer to this question is "Yes", please answer the following questions:

Yes

No

a) Is the Company aware of any facts which might give rise to a securities claim being made against the Company?

Yes

No

b) Has there ever been, or is there now pending, any securities claim against the Company?

Yes

No

If "Yes", please provide details of the claim including the claimant, current status, amounts paid and insurer reserve amounts.

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## Declaration

We, the undersigned, declare and acknowledge:

- that we are, after enquiry, authorised by all persons or entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, we are obliged to inform Liberty International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that we understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that if a Contract of Insurance is entered into, all information and documentation supplied in proposing for this insurance shall be incorporated into and form part of such Contract of Insurance;
- that we have read and understood the Important Notices which form part of this proposal;
- that we understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers' acceptance of an offer by Liberty International Underwriters, if any.

To be signed by the Chairperson and an Executive Officer of the Company

Signed \_\_\_\_\_

Print Name \_\_\_\_\_

Title                      Chairperson \_\_\_\_\_

Dated \_\_\_\_\_

Signed \_\_\_\_\_

Print Name \_\_\_\_\_

Title                      Executive Officer \_\_\_\_\_

Dated \_\_\_\_\_

Liberty International Underwriters is a trading name of Liberty Mutual Insurance Europe Limited, a company incorporated in the United Kingdom.

## Outside Directorship Addendum

Name of Outside Entity	Is an indemnity provided to the Director or Officer by the Outside Entity?	Does the Outside Entity have D&O Insurance?	If "Yes", please provide details including the Insurer, Policy Number and Limit of Liability.
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	
	No <input type="checkbox"/>	No <input type="checkbox"/>	
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	
	No <input type="checkbox"/>	No <input type="checkbox"/>	
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	
	No <input type="checkbox"/>	No <input type="checkbox"/>	
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	
	No <input type="checkbox"/>	No <input type="checkbox"/>	
	Yes <input type="checkbox"/>	Yes <input type="checkbox"/>	
	No <input type="checkbox"/>	No <input type="checkbox"/>	