

Forefront Portfolio

Proposal Form

Completing the Proposal Form

Please read the “Statutory Notice” before completing this proposal form.

If you have insufficient space to complete any of your answers, please attach a separate signed and dated sheet and identify the question number concerned. Include all requested underwriting information and attachments.

The liability coverage section of this policy is written on a claims made basis and will cover only claims first made during the policy period or any extended reporting period. The liability to pay damages and settlements will be reduced and may be exhausted by the payment of defence costs.

The non-liability coverage section of this policy will cover loss first discovered during the policy period, if applicable.

A. General Information

| | | | | |
|---|--|--|-----|--|
| 1. Name of Applicant(s) Requesting Insurance: | Please note: the entity must be “Pty Ltd”, “Limited by Guarantee” or “Incorporated” to qualify for Management Liability. Note: It is agreed that whenever used in this proposal form, the term 'Applicant' shall mean the Organisation and all its Subsidiaries | | | |
| 2. Year Established: | | | | |
| 3. Applicant's Principal Address: | Address 1: | | | |
| | Address 2: | | | |
| | City: | | | |
| | Post Code: | | | |
| | State: | | | |
| 4. Company Website: | | | | |
| 5. Period of Insurance: | From: | | To: | |
| 6. Occupation: | | | | |
| 7. ABN: | | | | |

Please select the classes to be insured from the following list:

| | |
|--|---|
| <input type="checkbox"/> Directors & Officers | <input type="checkbox"/> Employment Practices Liability |
| <input type="checkbox"/> Statutory Liability | <input type="checkbox"/> Kidnap, Ransom and Extortion |
| <input type="checkbox"/> Cyber Liability | <input type="checkbox"/> Crime |
| <input type="checkbox"/> Miscellaneous Professional Liability (supplemental proposal required) | |

| Please provide the following information: | This Year | Last Year |
|--|-----------|--|
| Revenue | | |
| Number of Employees | | |
| Number of Locations: | | |
| Are any of these locations based outside of Australia? If Yes, please list the country in which the location is based: | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

B. Loss History

1. Has any proposed Applicant been declined, had cancelled or non-renewed any insurance policies for any of the coverages for which they are applying? If Yes, please provide details below: ☐ Yes ☐ No

2. Has any Applicant proposed suffered any loss, whether covered by insurance or not, that would have fallen within the scope of the proposed coverage? If Yes, please provide details below: ☐ Yes ☐ No

| Section | Date of Loss | Amount of Loss | Details of Loss | Claim Status |
|---------|--------------|----------------|-----------------|--------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |

3. Is any Applicant aware of any facts, circumstances, acts or omissions that may give rise to any future claims that would fall within the scope of the proposed coverage? If Yes, please provide details below. ☐ Yes ☐ No

C. Directors and Officers Liability

1. Does the Applicant hold an Australian Financial Services License? ☐ Yes ☐ No
If Yes - please describe the financial services offered:

| 2. Please provide the following information: | This Year | Last Year |
|--|-----------|-----------|
| Total Assets | | |
| Net Assets | | |
| After Tax Profit/(Loss) | | |

3. Does the Applicant wish to remove the Financial Impairment Exclusion? ☐ Yes ☐ No
If Yes, to consider removing please attach the Applicant's audited or externally prepared Financial Statements for the past two (2) years

4. Are there any facts or circumstances that might affect the ability of the Applicant to meet all its debts as and when they fall due? ☐ Yes ☐ No
If Yes, please explain in detail.

5. Does the Applicant generate revenue, have assets and/or employees based in North America? ☐ Yes ☐ No

| If Yes, please provide the following information: | This Year | Last Year |
|--|-----------|-----------|
| a) total gross assets in North America | | |
| b) total revenue generated in North America | | |
| c) total number of employees in North America | | |
| d) total number of employees in the States of California and West Virginia | | |

6. Does any person or entity own more than 25% of the issued share capital of the Company? ☐ Yes ☐ No

7. Over the last twelve months has the Applicant undergone any merger and/or acquisition activity or change in ownership >50% of the issued share capital of the Company? ☐ Yes ☐ No

D. Work Health & Safety

| | |
|---|--|
| 1. Does the Applicant have a safety management system in place? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Does the Applicant have a safety management system that complies with AS/NZ 4801? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Does the Applicant have effective hazard and incident reporting procedures? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Does the Applicant have procedures in place to identify and notify officers on duty under WHS laws? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Does the Applicant have a system that recognize contractors, volunteers, work experience students and labourhire employees as workers? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. Does the Applicant have an audit program of its safety management system to ensure it remains effective and up to date in managing health and safety risks in the workplace? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Any further information relevant to your OH&S/WHS obligations - please comment below: | <input type="checkbox"/> Yes <input type="checkbox"/> No |

E. Employment Practices Liability

| | | |
|--|--|---|
| 1. What percentage of employees are based overseas (including full time, part time and casual) | Overseas: | % |
| 2. How many directors and/or employees left the Applicant in the last six (6) months? | | |
| 3. How many retrenchments or layoffs does the Applicant expect to incur within the next twelve (12) months? | | |
| 4. Does the Applicant have written employment procedures (eg Employee Handbook) that are available to each employee? | <input type="checkbox"/> Yes <input type="checkbox"/> No | |

F. Crime Cover

Supplier and Customers Controls:

| | |
|---|--|
| 1. Does the Applicant maintain a master list of authorised suppliers? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
|---|--|

Funds Transfers and Deposits:

| | |
|--|--|
| 1. Are dual authorities required for all fund transfers, including deposits, transfers and withdrawals of the Applicant's funds? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Are countersignatures required on all cheques? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Can the person who reconciles the monthly statements also handle deposits? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Inventory Controls:

| | |
|---|---|
| 1. Is an independent physical count of stock, raw materials, work in progress and finished goods undertaken and is this count reconciled against stock levels on a quarterly basis? | <input type="checkbox"/> Yes <input type="checkbox"/> No Semi annual |
| 2. Is the inventory check reconciled against inventory records by a person who is not the sole person performing the inventory check? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

F. Crime Cover (Continued)

Social Engineering Fraud:

Social Engineering Fraud means the intentional misleading of an **Employee***, through misrepresentation of a material fact which is relied upon by an **Employee***, believing it be genuine.

* Please refer to the Chubb Forefront policy for the definition of Employee.

| | |
|---|--|
| 1. Does a Social Engineering Fraud risk management strategy exist and has the Applicant informed and alerted relevant staff at all locations of Social Engineering Fraud? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Does the Applicant's email server and/or internet service provider (ISP) use any authentication methods at all locations? If Yes, please list below. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| | |
|---|--|
| 3. Does the Applicant use a third party software product to enhance email authentication procedures at all locations? If Yes, please list below. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
|---|--|

| | |
|--|--|
| 4. Does the Applicant verify new customer or supplier bank account information (including name, address and bank account number) prior to initiating any financial transaction with such supplier or customer? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Does the Applicant have callback procedures with customers or suppliers to authenticate any fund transfer instructions greater than \$50,000 prior to transfer? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 6. Does the Applicant upon receipt of any email requests to change supplier or customer bank account details (including account number, email address, contact information, bank routing number): | |
| a) Have direct callback procedures in place (i.e. other than responding via email) to the contact phone number in place prior to receipt of the change request? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| b) Require internal dual signoff from a supervisor or authorised person prior to initiating the change request? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Please comment on any other controls you may apply. | |

G. Stamp Duty

1. Please state the total number of employees located in the following states and overseas:

| NSW | VIC | ACT | QLD | SA | WA | TAS | NT | O/S |
|-----|-----|-----|-----|----|----|-----|----|-----|
| | | | | | | | | |

H. Declaration and Signature

The undersigned authorised officers of the Applicant declare that to the best of their knowledge and belief the statements set forth herein and all attachments and schedules hereto are true and immediate notice will be given should any of the above information alter between the date of this proposal and the proposed date of inception of the insurance. Although the signing of the proposal does not bind the undersigned, on behalf of the Applicant, to effect insurance, the undersigned agree that this proposal and all attachments and schedules hereto and the said statements herein shall be the basis of and will be incorporated in the policy should one be issued.

The undersigned, on behalf of the Applicant, acknowledge that the Statutory Notice contained herein has been read and understood.

This proposal must be signed by the Applicant's Chairman of the Board, Managing Director or Chief Executive Officer.

| | |
|-----------|--|
| Signature | |
| Title | |
| Date | |

Statutory Notice

For the purposes of this statutory notice, Chubb Insurance Australia Limited ABN 23 001 642 020 AFSL 239687 means “we”, “us” and “our”.

Duty of Disclosure

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.

What you do not need to tell us

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.

If your policy, or a part of your package policy, provides cover on a claims made or claims made and notified basis, the following two sections will apply, but not otherwise.

Claims-Made and Claims-Made and Notified Coverages

These coverages apply only to claims that are either first made against you during the period of insurance or both first made against you and notified to us in writing before the expiration of the period of the insurance cover provided by the Policy. If your Policy does not have a continuity of cover provision or provide retrospective cover then your Policy may not provide insurance cover in relation to events that occurred before the contract was entered into.

Notification of Facts That Might Give Rise to a Claim

Section 40(3) of the Insurance Contracts Act 1984 only applies to the claims-made and the claims-made and notified coverages available under the Policy.

Pursuant to Section 40(3) of the Insurance Contracts Act 1984, and only pursuant to that section, if you give notice in writing to us of facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of such facts but before the insurance cover provided by the Policy expires, then we are not relieved of liability under the Policy 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 Policy.

Other Important Information

Subrogation

You may prejudice your rights with regard to a claim if, without prior agreement from us, you make agreement with a third party that will prevent us from recovering the loss from that, or another party.

Your policy contains provisions that either exclude us from liability, or reduce our liability, if you have entered into any agreements that exclude your rights to recover damages from another party in relation to any loss, damage or destruction which would allow you to sustain a claim under your policy.

Utmost Good Faith

Every insurance contract is subject to the doctrine of utmost good faith which requires that parties to the contract, including third parties, should act toward each other with the utmost good faith. Failure to do so on your part may prejudice any claim or the continuation of cover provided by us.

Not A Renewable Contract

Cover under your policy will terminate at expiry of the period of insurance specified in your policy document. If you wish to effect similar insurance for a subsequent period, it will be necessary for you to complete a new proposal form prior to the termination of your current policy so that terms of insurance and quotation/s can be agreed.

Change Of Risk Or Circumstances

It is vital that you advise us of any departure from your “normal” form of business (i.e. that which has already been conveyed to us). For example, acquisitions, changes in location or new overseas activities. Please refer to the territory clause of your policy and the sanctions limitations contained therein.

Privacy Statement

Chubb Insurance Australia Limited (Chubb) is committed to protecting your privacy. This document provides you with an overview of how we handle your personal information. Our Privacy Policy can be accessed on our website at www.chubb.com/au.

Personal Information Handling Practices

Collection, Use and Disclosure

We collect your personal information (which may include sensitive information) when you are applying for, changing or renewing an insurance policy with us or when we are processing a claim in order to help us properly administrate your insurance proposal, policy or claim.

Personal information may be obtained by us directly from you or via a third party such as your insurance intermediary or employer (e.g. in the case of a group insurance policy).

When information is provided to us via a third party we use that information on the basis that you have consented or would reasonably expect us to collect your personal information in this way and we take reasonable steps to ensure that you have been made aware of how we handle your personal information.

The primary purpose for our collection and use of your personal information is to enable us to provide insurance services to you. Sometimes, we may use your personal information for our marketing campaigns, in relation to new products, services or information that may be of interest to you.

We may disclose the information we collect to third parties, including service providers engaged by us to carry out certain business activities on our behalf (such as assessors and call centres in Australia). In some circumstances, in order to provide our services to you, we may need to transfer personal information to other entities within the Chubb Group of companies (such as the regional head offices of Chubb located in Singapore, UK or USA), or third parties with whom we or those other Chubb Group entities have sub-contracted to provide a specific service for us, which may be located outside of Australia (such as in the Philippines or USA). Please note that no personal information is disclosed by us to any overseas entity for marketing purposes.

In all instances where personal information may be disclosed overseas, in addition to any local data privacy laws, we have measures in place to ensure that those parties hold and use that information in accordance with the consent you have provided and in accordance with our obligations to you under the Privacy Act 1988 (Cth).

Your Choices

In dealing with us, you agree to us using and disclosing your personal information as set out in this statement and our Privacy Policy. This consent remains valid unless you alter or revoke it by giving written notice to our Privacy Officer. However, should you choose to withdraw your consent it is important for you to understand that this may mean we may not be able to provide you or your organisation with insurance or to respond to any claim.

How to Contact Us

If you would like a copy of your personal information, or to correct or update it, please contact our customer relations team on 1800 815 675 or email CustomerService.AUNZ@chubb.com.

If you have a complaint or would like more information about how we manage your personal information, please review our Privacy Policy for more details or contact the Privacy Officer, Chubb Insurance Australia Limited, GPO Box 4907, Sydney NSW 2001, Tel: +61 2 9335 3200 or email Privacy.AU@chubb.com.

About Chubb in Australia

Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. The company is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London and other locations, and employs approximately 31,000 people worldwide.

Chubb, via acquisitions by its predecessor companies, has been present in Australia for over 50 years. Its operation in Australia (Chubb Insurance Australia Limited) provides specialised and customised coverages, including Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities, as well as Accident & Health insurance, to a broad client base. Chubb is a major insurer of many of the country's largest companies. With five branches and over 500 staff in Australia, it has a wealth of local expertise backed by its global reach and breadth of resources.

More information can be found at www.chubb.com/au

Contact Us

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