

## Express Proposal Form Notices

### NOTICES

#### 1. Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984, 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 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 any 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 his 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 its liability under the contract in respect of a claim, refuse to pay the 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.

#### **Claims Made and Notified Basis of Coverage**

Some sections of this Management Liability Insurance Policy are issued on a 'claims made and notified' basis.

This means that these sections of the policy respond to:

- a) claims first made against you during the policy period and notified to the insurer during the policy period, provided 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 him/her; and:
- b) written notification of facts pursuant to Section 40(3) of the Insurance Contracts Act 1984. The facts that you may decide to notify are those which might give rise to a claim against you. Such notification must be given as soon as reasonably practicable after you become aware of the facts and prior to the time at which the policy expires. If you give written notification of facts the policy will respond even though a claim arising from those facts is made against you after the policy has expired. For your information, S40(3) of the Insurance Contracts Act 1984 is set out below;

"S40(3) Where the insured gave notice in writing to the insurer of *facts* that might give rise to 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 period expires, no new notification of claims or facts 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. An exception to this is under the extended reporting period extension. If an extended reporting period is purchased as provided for in the extension, then some cover for new notification of Claims or facts is available.

You will not be entitled to indemnity under your new policy in respect of any claim resulting from an act, error or omission occurring or committed or alleged to have occurred or been committed prior to the retroactive date, where one is specified in the policy terms which are offered to you.

#### 2. Retroactive Date

If a retroactive date applies to a section of this policy then it means that cover is excluded for any wrongful act occurring or committed prior to the Retroactive Date.

Our policy also contains provisions that exclude cover for any wrongful act occurring or committed by a subsidiary company and its directors, officers or employees prior to its acquisition or creation by the policyholder.

#### 3. Preservation of rights of recovery

Our policy contains a provision that has the effect of excluding or limiting our liability in respect of a loss, if the insured releases, agrees not to sue on, waives or prejudices its rights of recovery, or enters into any arrangement or compromise or does any act whereby any rights or remedies to which the insurer would be subrogated are or may be prejudiced.

#### **4. Subrogation Waiver**

Our policy contains a provision that has the effect of excluding or limiting our liability in respect of a liability incurred solely by reason of the Insured entering into a deed or agreement excluding, limiting or delaying the legal rights or of recovery against another.

#### **5. Privacy Statement**

The Privacy Act 1988 (as amended) now applies and requires us to inform you that:

##### **Purpose of collection**

We collect personal information (this is information or an opinion about an individual whose identity is apparent or can reasonably be ascertained and which relates to a natural living person) for the purposes of: providing insurance services to you, including to evaluate your application, to evaluate any request for a change to any insurance provided; to provide, administer and manage the insurance services following acceptance of an application; to investigate and, if covered, manage claims made in relation to any insurance you have with us or other companies within the same group.

The personal information collected can be used or disclosed by us for a secondary purpose related to those purposes listed above, but only if you would reasonably expect us to use or disclose the information for this secondary purpose. However for sensitive information, the secondary purpose must be directly related to the purposes listed above.

##### **Disclosure**

We may disclose your personal information (and receive some personal information from), when necessary and in connection with the purposes listed above, to other companies within the same group, your insurance broker or our agent, Government bodies, loss assessors, claim investigators, reinsurers, other insurance companies, mailing houses, claims reference providers, other service providers, hospitals, medical and health professionals, legal and other professional advisers.

##### **Consequences if information is not provided**

If you do not provide us with the information we need we will be unable to consider your application for insurance cover.

##### **Access**

You can request access to the personal information by contacting Vero at the address below.

Privacy Statement issued: Vero Insurance Limited, 465 Victoria Avenue, Chatswood, NSW 2067.

#### **6. General Insurance Code of Practice**

Vero Insurance Limited (Vero) has adopted the General Insurance Code of Practice which has been developed by the Insurance Council of Australia. The Code is designed to promote good relations and good insurance practice between insurers, intermediaries and consumers.

The Code sets out what insurers must do when dealing with the insured. Please contact Vero for more information about the Code, if required.

#### **7. Our Complaints Handling Procedures**

##### *Resolving your complaints*

If you think we have let you down in any way, or our service is not what you expect (even if through one of our agents or representatives), please tell us so we can help. You can tell us by phone, in writing or in person.

Should you tell us in writing it will help to send us the full details of your complaint together with any supporting documents and an explanation of what you want us to do. If you would like to come in to talk to us face to face, please call and we will arrange an appointment for a meeting.

##### **What we will do to resolve your complaint**

When you first let us know about your complaint or concern the person trying to resolve your complaint will listen to you, consider the facts and contact you to resolve your complaint as soon as possible, usually within 24 hours.

If you are not satisfied with this person's decision on your complaint, then it will be referred to the relevant Operational Manager, who will contact you within 5 working days.

Should you not be satisfied with the Operational Manager's decision, then it will be referred to the General Manager (or their delegate). We will send you our final decision within 15 working days from the date you first made your complaint.

##### **What if you are not satisfied with our final decision?**

We expect our procedures will deal fairly and promptly with your complaint. However if you are not satisfied with our final decision there are external dispute remedies such as mediation, arbitration or legal action.

## Management Liability for Property Professionals Express Proposal Form

For the purpose of answering the below questions, please note that reference to "Company" includes all of its past and current subsidiaries.

1. **Company**

2. **Is the Company referred to in Question 1 above a 'proprietary' Company?** Yes  No

*Please note: cover can only be considered in respect of 'proprietary' Companies*

3. **Date of Incorporation**

4. **ABN**

5. **Street Address**

**Suburb**

**State**

**Postcode**

6. **Occupation (please tick one or more boxes below)**

- Real Estate Agent
- Stock & Station Agent
- Property Valuer
- Business Broker
- Strata Manager
- Other (please specify)  \_\_\_\_\_

7. **Company turnover last 12 months**

8. **Preferred Limit of Liability and Company Pecuniary Penalties Sub-Limit**

**Option 1**

Limit of Indemnity – Option 1	Optional Company Pecuniary Penalties Sub-Limit
\$500,000 <input type="checkbox"/>	Not required <input type="checkbox"/>
\$1,000,000 <input type="checkbox"/>	\$250,000 <input type="checkbox"/>
\$2,000,000 <input type="checkbox"/>	\$500,000 <input type="checkbox"/>
\$3,000,000 <input type="checkbox"/>	
\$4,000,000 <input type="checkbox"/>	
\$5,000,000 <input type="checkbox"/>	
\$6,000,000 <input type="checkbox"/>	
\$7,000,000 <input type="checkbox"/>	
\$8,000,000 <input type="checkbox"/>	
\$9,000,000 <input type="checkbox"/>	
\$10,000,000 <input type="checkbox"/>	
<b>Please only select one Limit of Indemnity Option above</b>	<b>Please select up to two boxes above.</b>

## Management Liability for Property Professionals Express Proposal Form

**Option 2**

Limit of Indemnity – Option 2	Optional Company Pecuniary Penalties Sub-Limit
\$500,000 <input type="checkbox"/>	Not required <input type="checkbox"/>
\$1,000,000 <input type="checkbox"/>	\$250,000 <input type="checkbox"/>
\$2,000,000 <input type="checkbox"/>	\$500,000 <input type="checkbox"/>
\$3,000,000 <input type="checkbox"/>	
\$4,000,000 <input type="checkbox"/>	
\$5,000,000 <input type="checkbox"/>	
\$6,000,000 <input type="checkbox"/>	
\$7,000,000 <input type="checkbox"/>	
\$8,000,000 <input type="checkbox"/>	
\$9,000,000 <input type="checkbox"/>	
\$10,000,000 <input type="checkbox"/>	
<i>Please only select one Limit of Indemnity Option above</i>	<i>Please select up to two boxes above.</i>

**9. Optional Fidelity Sub-limit (please tick up to two boxes below)**

- Not Required
- \$50,000
- \$100,000
- \$250,000
- \$500,000

**10. Current Insurance**

Are you currently insured under a management liability policy?

Yes  No

If yes, please advise (i) insurer  and (ii) Expiry Date  /  /

**11. Stamp Duty**

Please provide a breakdown in revenue by locations as follows

NSW	VIC	QLD	SA	WA	TAS	ACT	NT	O'SEAS	TOTAL
%	%	%	%	%	%	%	%	%	100%

## Statements

**Please note that reference to “Company” includes all of its past and current subsidiaries.**

### General Statements

You can only automatically qualify for terms if all of the following statements are true:

	<b>General Statement (please tick True or Not True)</b>	<b>True</b>	<b>Not True</b>
1	The Company does not undertake or has not undertaken the following types of business. <ul style="list-style-type: none"> <li>• Construction</li> <li>• Property Development</li> <li>• Insurance agents or brokers (other than as ancillary to the business of a Strata Manager)</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>
2	The Company does not conduct business, have representation, own assets in or derive revenue from North America	<input type="checkbox"/>	<input type="checkbox"/>
3	None of the former or current directors or officers of the Company (current or past) have ever been declared bankrupt.	<input type="checkbox"/>	<input type="checkbox"/>
4	None of the former or current directors or officers of the Company (current or past) have ever been a director or officer of an organisation placed in receivership, liquidation or provisional liquidation.	<input type="checkbox"/>	<input type="checkbox"/>
5	Since the last annual report and accounts was issued, there has been no significant change in the financial position, capital structure or operation of the Company which might materially affect the financial position in that annual report.	<input type="checkbox"/>	<input type="checkbox"/>
6	None of the directors or officers are aware of facts or circumstances that might affect the ability of the Company to meet all its debts as and when they fall due.	<input type="checkbox"/>	<input type="checkbox"/>
7	Other than directors, no employee is authorised to issue a cheque or any other bank instruments as a sole signatory, or to authorise any payment in excess of \$5,000 without authorisation by a supervisor or manager, process a refund to customers or accept any return of goods in excess of \$5,000 without authorisation by a supervisor or manager or reconcile any bank account through which that employee is authorised to deposit funds into or withdraw funds from.	<input type="checkbox"/>	<input type="checkbox"/>
8	<b>In the past 5 years</b> no claim has ever been made or civil, criminal or regulatory proceedings brought against the Company or any director, officer or employee (whether as directors, officers or employees of the Company or any other company), in respect of the risks of the kinds covered under the Management Liability policy.	<input type="checkbox"/>	<input type="checkbox"/>
9	<b>In the past 5 years</b> no director, officer or employee has received a notice to attend an official investigation, examination, inquiry or other proceedings ordered or commissioned by an official body or institution, in respect of the risks of the kind covered under the Management Liability policy.	<input type="checkbox"/>	<input type="checkbox"/>
10	<b>In the past 5 years</b> the Company has not suffered any loss as a result of any dishonest or fraudulent act of any employee, in respect of the risks of the kind covered under the Management Liability policy.	<input type="checkbox"/>	<input type="checkbox"/>
11	<b>After enquiry</b> , none of the directors or officers of the Company are aware of any act, omission, conduct, fact, event, circumstance or matter which might reasonably be expected to give rise to a claim or lead to civil or criminal proceedings against the Company or any director, officer, or employee, result in the Company or any director, officer or employee being required to attend an official investigation, examination, inquiry or other proceedings.	<input type="checkbox"/>	<input type="checkbox"/>

**For any ‘Not True’ response above, please complete the attached Qualifying Statements section for Insurers further consideration.**

### Statements (cont...)

*Please note that reference to “Company” includes all of its past and current subsidiaries.*

#### Company Pecuniary Penalties Statements

If Company Pecuniary Penalties cover is required you can only automatically qualify for this cover if all of the following statements are true:

	<b>Company Pecuniary Penalties Statement (if cover sought please tick true or not true)</b>	<b>True</b>	<b>Not True</b>
1	<b>In the past five years</b> the Company has not had any fine or penalty or infringement notice (other than for traffic offences) imposed by any Federal, State, Territory or local government or other regulatory authority.	<input type="checkbox"/>	<input type="checkbox"/>
2	<b>In the past five years</b> there have been no incidents or circumstances which could give rise to a fine or penalty (other than for traffic offences) being imposed on the Company by a Federal, State, Territory or local government or other regulatory authority.	<input type="checkbox"/>	<input type="checkbox"/>

*Where Company Pecuniary Penalties cover is required for any ‘Not True’ response above, please complete the attached Qualifying Statements section for Insurers further consideration.*

#### Insolvency Cover Statements

If all of the following statements are true then an insolvency exclusion may not apply:

	<b>Insolvency Cover Statement</b>	<b>True</b>	<b>Not True</b>
1	Since the last annual report and accounts was issued, there has been no significant change in the financial position, capital structure or operation of the Company which might materially affect the financial position in that annual report.	<input type="checkbox"/>	<input type="checkbox"/>
2	None of the directors or officers are aware of facts or circumstances that might affect the ability of the Company to meet all its debts as and when they fall due.	<input type="checkbox"/>	<input type="checkbox"/>
3	Based on the most recent set of consolidated financial statements for the Company, the ratio of current assets to current liabilities is at least 1:1.	<input type="checkbox"/>	<input type="checkbox"/>

**Qualifying Statements** please only complete in respect of a ‘Not True’ response to any:

- **General Statement;** or
- **Company Pecuniary Penalties Statement (only where this cover is sought)**

## Declaration

I the undersigned declare that:

- i. I am authorised by each of the Insured to sign this Proposal Form; and
- ii. the above statements are correct and complete; and
- iii. I have read and understood the Notices which you have put before me and I understand the advice given in relation to the duty of disclosure; and
- iv. I have diligently made all necessary and detailed enquiries in order to comply with the duty of disclosure; and
- v. I confirm that all the General Statements are correct; and
- vi. I confirm that, if Company Pecuniary Penalties Cover is required, all the Company Pecuniary Penalties Statements are correct; and
- vii. I confirm that all the Insolvency Cover Statements are correct; and
- viii. I undertake to inform the Insurer of any material alteration to these facts occurring before completion of the contract of insurance; and
- ix. I acknowledge that the Insurer relies on the information and representations in this Proposal Form and otherwise made by me in relation to this insurance; and
- x. Except where indicated to the contrary, I understand that any statement made in this Proposal Form will be treated by VERO as a statement made by all persons to be insured; and
- xi. I have read VERO's Privacy Statement within this Proposal Form, and consent to the use, disclosure and obtaining or personal information about the Insured's for the purposes shown in the Privacy Statement.

Signature \_\_\_\_\_ Title \_\_\_\_\_

Company \_\_\_\_\_ Date \_\_\_\_\_

NB: To be signed by the Chief Executive Officer, Company Secretary or Managing Director

We recommend that you keep a record, including copies of letters and this Express Proposal Form, of all information supplied to us for the purpose of entering into this contract.