

Directors & Officers Liability

Proposal

Lumley, a business division of IAG New Zealand Limited, Lumley Centre, 88 Shortland Street, PO Box 2426, Auckland 1140, New Zealand
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Notice

This is a proposal form for a claims made policy.

The policy will only respond to claims and/or circumstances which are first made against you and notified to Lumley during the policy period.

The policy will not provide cover for:

- (a) Events that occurred prior to the retroactive date of the policy (if specified).
- (b) Claims made after the expiry of the policy period (or extended reporting period if available) even though the Wrongful Act giving rise to the claim may have occurred during the policy period.
- (c) Claims notified or arising out of facts or circumstances notified under any previous policy or noted on the current proposal form or any previous proposal form.
- (d) Claims made, threatened or intimated prior to the commencement of the policy period.
- (e) Facts or circumstances in your knowledge prior to the policy period which you knew had the potential to give rise to a claim under the policy.

This proposal forms the basis of any insurance contract entered into. Please complete it fully and carefully, remembering to sign the Declaration.

If you do not have enough room, please attach additional sheets.

Duty of Disclosure

You have an ongoing duty to disclose all Material Facts and failure to do so could prejudice future claims. Material Facts are those which may influence a prudent insurer in deciding whether or not to insure you, on what terms, and at what premium.

Company details

1	Name of company:	<hr/> <hr/>		
2	Address of company:	<hr/> <hr/> <hr/>		
3	Company website:	<hr/>		
4	How long has the company continuously carried on in business?	<hr/>		
5	Indicate which description best describes the nature of the company:	<input type="checkbox"/> Public listed <input type="checkbox"/> Public unlisted <input type="checkbox"/> Private <input type="checkbox"/> Co-operative/mutual <input type="checkbox"/> Non-Profit/charitable		
	If 'Public listed' or 'Public unlisted' please specify which Stock Exchange/s or any Unlisted Securities Market the company is quoted on:	<hr/> <hr/>		
6	Provide the following details from your most recent financial period:			
	(a) Total consolidated assets: \$	<hr/>		
	(b) Total gross turnover or revenues (12 months): \$	<hr/>		
7	Share ownership (if applicable):			
	(a) Total number of ordinary shareholders:	<hr/>		
	(b) Total number of ordinary shares:	<hr/>		
	(c) Percentage of ordinary shares owned by the company's directors:	%	<hr/>	

Company structure

1	During the past 3 years has;		
	(a) The name of the company changed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	(b) Any acquisition or merger involving the company taken place?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	(c) The company changed its external auditors/legal advisors?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	(d) The capital structure changed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
	(e) Any subsidiary company ceased trading or been sold?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If 'Yes', to any of the above, please provide details:

2 Please provide the following information for all subsidiaries of the company:

Subsidiary name	Percent of ownership	Nature of operations	Date acquired or created

3 Give a clear description of all business activities:

Business activity	Percent of total

4 Identify all shareholders owning more than 5% of the ordinary shares:

Shareholder name	Percent of ownership

Details of Insured Persons

1 Please list the full details of all current directors and executive officers:

Name	Qualification	Date appointed	Percent of ownership

2 Please list the full details of all trusteeships held in related/associated bodies (e.g. superannuation funds):

3 Please detail any outside directorships which are held at the specific request of the company and for which coverage is requested. Please attach a copy of the most recent audited financial statements for each entity.

Name of director	Name of outside entity	Position in outside entity	Percent of equity in outside entity

Financial details

1 Does the company intend to make any new public or private securities offerings (whether debt or equity) within the next year? Yes No
 If 'Yes', please provide details: _____

2 Are you aware of any facts or circumstances which could affect the ability of the company to meet its debts as and when they fall due? Yes No
 If 'Yes', please provide details: _____

Claims information

1 Has any insurer ever refused to quote, cancelled or not renewed your directors' and officers' liability insurance? Yes No
 If 'Yes', please provide details: _____

2 After enquiry has there been or is there now pending any claim or legal action against any proposed insured person (in their capacity as director, officer, secretary, senior executive, trustee, board or committee member) of the company or its associated trust or entity? Yes No
 If 'Yes', please provide details: _____

3 After inquiry, is any director or executive officer aware of any circumstances that might give rise to a claim under the proposed insurance? **If knowledge exists, any claim made or intimated will not be covered by this proposed insurance.** Yes No
 If 'Yes', please provide details: _____

4 Has there been or is there now pending any investigation, examination, inquiry or other proceedings in relation to the affairs of the company? Yes No
 If 'Yes', please provide details: _____

5 Are there or has there been any prosecution against the company or its directors or executive officers under corporate law or under any other law? Yes No
 If 'Yes', please provide details: _____

6 After enquiry has any director, officer or senior employee ever been declared bankrupt or ever been involved in a company that has been involved in a receivership or liquidation? Yes No
 If 'Yes', please provide details: _____

Declaration

On behalf of all proposed Insureds I/We declare and agree that:

- (a) all information provided, in this proposal or attachments, is true and complete in every respect and that no Material Facts remain undisclosed;
- (b) if this risk is accepted, such information will be incorporated into and form the basis of the contract of insurance;
- (c) I/We understand that Lumley requires this information in order to evaluate this proposal and that the Privacy Act 1993 entitles me/us to have access to, and request the correction of, any information retained;
- (d) Lumley is authorised to disclose information to its advisers, reinsurers, other insurers and parties with a financial interest in the subject matter of this proposal;
- (e) Lumley is authorised to check details against the Insurance Claims Register and to place information on the Insurance Claims Register which other insurers can access;
- (f) Lumley is authorised to obtain from other parties any information which may be relevant to the acceptance of this risk;
- (g) the signing of this proposal does not bind either party to complete the contract and that no cover will be in force until confirmed by Lumley.

Insured(s) signature: _____

Title: _____

Date: / /

Addendum 1

North American liability extension

The following is an addendum to the Directors and Officers Liability Insurance proposal. It forms part of the Directors and Officers Liability Insurance Proposal when the North American Exclusion is amended under the Directors and Officers Liability Insurance Policy. Please complete all questions if you desire consideration for deletion of the North American Exclusion under the Directors and Officers Liability Insurance Policy.

1 Name of company:

2 If the company conducts business in the USA or Canada please provide the following information:

(a) Number of locations in USA/Canada

(b) Number of employees residing in USA/Canada:

(c) Total gross assets in USA/Canada: \$

(d) Total turnover derived from activities in USA/Canada: \$

(e) Precise description of activities in USA/Canada:

3 Has the company or any subsidiary at any time had stocks, shares or debentures traded on a listed Stock Exchange in the USA/Canada?

Yes No

If 'Yes', please provide details:

4 After inquiry, is any director or executive officer aware of any claim or any circumstance that might give rise to a claim against the company or any USA/Canada subsidiary/operation?

Yes No

If 'Yes', please provide details:

If knowledge exists, any claim made or intimated will not be covered by this proposed insurance.

5 Has there been or is there now pending any investigation, examination, inquiry or other proceedings in relation to the affairs of the company in the USA/Canada?

Yes No

If 'Yes', please provide details:

6 Are there or has there been any prosecution against the company or its directors or executive officers under the laws of the USA/Canada?

Yes No

If 'Yes', please provide details:

Insured(s) signature:

Title:

Date: / /