

Gold Complete



AIG Insurance New Zealand Limited

Proposal Form



Bring on tomorrow

Policy reference: Gold Complete 07/13



Proposal Form Gold Complete

Important Notice

Claims-made and Notified Insurance

This Policy contains some sections on a claims-made and notified basis. This means that this Policy only covers claims first made against you during the period this Policy is in force and notified to the Insurer as soon as practicable in writing while the Policy is in force. This Policy may not provide cover for any claims made against you if at any time prior to the commencement of this Policy you became aware of facts which might give rise to those claims being made against you.

This Policy excludes prior claims and circumstances as outlined in the 'General Policy Exclusions – Prior Insurable Events' provision.

Your Duty of Disclosure

Before you enter into a contract of insurance with the 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 you to disclose a matter:

- that diminishes the risk to be undertaken by the Insurer;
- that is of common knowledge;
- that the Insurer knows or, in the ordinary course of business, ought to know; or
- 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 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.

Privacy

The Insurer has adopted the Information Privacy Principles set out in the Privacy Act 1993. The Information Privacy Principles apply to any personal information collected by the Insurer.

Purpose of collection

The Insurer collects personal information about you for the purposes of assessing your application for insurance and administering your policy. Failure to provide relevant personal information may result in the Insurer not being able to administer your policy, process any claim under your policy or you may breach your duty of disclosure.

Disclosure

In the course of administering your policy the Insurer may disclose your information to:

- an entity to which the Insurer is related either in New Zealand or overseas;
- contractors or third party providers providing services related to the administration of your policy;
- banks and financial institutions for the purpose of processing your application for insurance and obtaining policy payments;
- in the event of a insurance claim, assessors, lawyers, third party administrators, emergency providers and medical providers;
- third party service providers to enable the Insurer to advise you of their insurance products or services; and
- reinsurers for the purpose of obtaining reinsurance, if required.

The Insurer will only disclose your personal information to these parties for the primary purpose for which it was collected or to enable the Insurer to advise you of our insurance products or services. In some circumstances the Insurer is entitled to disclose your personal information to third parties without your authorisation such as law enforcement agencies or government authorities.



Access to your information

You may gain access to your information by submitting a written request to the Insurer. In some circumstances the Insurer may not permit access to your personal information. Circumstances where access may be denied include where it would compromise the privacy of other individuals or where it would be unlawful.

The Insurer has also established an internal dispute resolution process for handling customer complaints and an access and correction procedure. Both procedures are generally free of charge however the Insurer reserves the right to charge for access requests in limited circumstances.

If you feel you have a complaint about the Insurer's information privacy principles, require assistance in lodging a privacy complaint or you wish to gain access to your information, you may write to:

The Privacy Manager

AIG Insurance New Zealand Limited
PO Box 1745, Shortland Street, Auckland 1140

(64) 9 355 3100

Your complaint will be reviewed and you will be provided with a written response. If it cannot be resolved, your complaint will be referred to the Internal Disputes Resolution Committee. In either case the matter will be reviewed by a person or persons with appropriate authority to deal with the complaint. Should your complaint not be resolved by the Insurer's internal dispute resolution process, you may take your complaint to the Privacy Commissioner for review of the determination.

Dispute Resolution Process

We are committed to handling any complaints about our products or services efficiently and fairly.

If you have a complaint about our products or services, contact your insurance intermediary and they may raise it with us.

If your complaint is not satisfactorily resolved you may request that your matter be reviewed by management by writing to:

The Compliance Manager

AIG Insurance New Zealand Limited
PO Box 1745, Shortland Street, Auckland 1140

If you are still unhappy, you may request that the matter be reviewed by our Internal Dispute Resolution Committee. If you are not satisfied with the finding of the Committee, you may be able to take your matter to our external dispute resolution provider Financial Services Complaints Limited. **Fair Insurance Code**

The Insurer is a signatory to the Fair Insurance Code. This aims to raise the standards of practice and service in the insurance industry, improve the way that claims and complaints are handled and help people better understand how general insurance works. Information brochures on the Code are available upon request.



General Information

Details of Proposed Policyholder

1. (a) Name of Policyholder: _____
(b) Address of Head Office: _____
(c) Country or State of Registration: _____
(d) Website Address: _____

2. How long has the Policyholder continually carried on business? _____

3. Please complete the table below:

| Country | Business Activities (e.g. locally registered subsidiary, branch office, sales / distribution centre etc) | Number of Employees | Number of Locations | Revenue |
|---------|--|------------------------|------------------------|---------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

If the Policyholder has employee's located in the USA or Canada, please complete the North America Supplementary Questionnaire at the end of this proposal form.

4. Is the Policyholder or any of its Subsidiaries:
- (a) Listed on the New Zealand Stock Exchange? ☐ Yes ☐ No
(b) Listed on any foreign stock exchanges? ☐ Yes ☐ No
(c) Listed on any unlisted securities market or exempt stock exchange? ☐ Yes ☐ No
(d) Traded in any other way? ☐ Yes ☐ No

If "Yes", please provide full details (include symbol/ticker, and exchange or platform):

5. Is the Policyholder a Subsidiary of another entity? ☐ Yes ☐ No

If yes, please provide name and location of the parent company:



6. Do you have a Directors' and Officers' Liability policy or any Management Liability insurance in place currently? ☐ Yes ☐ No

If yes, please provide your Previous Policy details below:

- (a) Limit of Liability \$
- (b) Insurer
- (c) Policy Number
- (d) Date management liability insurance continuously held from? ____/____/____
- (e) Premium \$

If the following information is not publicly available, please enclose with this Proposal Form:

- (a) the last Annual Report and audited Financial Statements for the Policyholder and its Subsidiaries; and
- (b) a complete corporate structure diagram; and
- (c) any prospectus or disclosure documents issued in the last 24 months.



Directors' & Officers', Company Securities, Side A Protection and Lifetime Prospectus Liability

Company Information

1. Since the date of the latest Financial Statements attached to this proposal:
- (a) Have there been any developments which adversely impact the financial position of the Policyholder? ☐ Yes ☐ No
- (b) Does the Policyholder anticipate incurring a significant one time change to earnings, or having to re-state earnings, in the next 12 months? ☐ Yes ☐ No

If the answer to either of the foregoing is "Yes", please provide further information on a separate sheet.

2. Has the Policyholder or its Subsidiaries changed External Auditor in last 24 months? Are there any plans to rotate or change External Auditor in the next 12 months? ☐ Yes ☐ No

If "Yes", please provide further information:

3. (a) Has an external review of the company's continuous disclosure regime been undertaken? ☐ Yes ☐ No
- (b) Have all recommendations been complied with? ☐ Yes ☐ No ☐ N/A
- If "No" please provide comments on a separate sheet*

Outside Directorships

4. Do any Managers serve, at the specific request or direction of the Policyholder or its Subsidiaries, as a director or officer, trustee, governor or equivalent of any entities which are not Subsidiaries?
- If "Yes", please complete the Schedule of Outside Entities attached to this proposal*



Employment Practices Liability

Employee Information

1. List the percentage of Employees (including independent contractors) with base salaries:
- | | |
|---|---------|
| (a) Between NZ\$100,000 – NZ\$250,000 per annum | _____ % |
| (b) Greater than NZ\$250,000 per annum | _____ % |
2. How many of the directors, officers and employees of the Policyholder and all of its Subsidiaries resigned, had their employment terminated, were made redundant, or took early retirement:
- | | |
|-----------------------|---------------------------|
| Last 12 months: _____ | Previous 12 months: _____ |
|-----------------------|---------------------------|

Human Resources Procedures

3. How many dedicated Human Resources staff do you have? _____
4. Does the Policyholder and all of its Subsidiaries have a written Human Resources Manual or equivalent written guidelines for Managers? ☐ Yes ☐ No
- If yes, has external legal counsel reviewed these guidelines? ☐ Yes ☐ No
5. Does the Policyholder and all of its Subsidiaries have an Employee Handbook which is distributed to all Employees? ☐ Yes ☐ No
- If yes:
- (a) does it specify a complaints procedure available to all employees? ☐ Yes ☐ No
- (b) does it contain formal written policies for anti-harassment, anti-discrimination, equal opportunity employment and privacy? ☐ Yes ☐ No
6. (a) Is there mandatory ongoing training to all employees on policies for anti-harassment and anti-discrimination? ☐ Yes ☐ No
- (b) Does this also form part of an induction program for new employees? ☐ Yes ☐ No
7. Does the Policyholder have written policies outlining employee conduct when dealing with the general public, customers, clients, vendors, and other third parties? ☐ Yes ☐ No
8. Does the Policyholder have written policies or procedures for dealing with complaints from third parties for issues involving discrimination or harassment? ☐ Yes ☐ No
9. Do you engage internal or external counsel when contemplating redundancies, disciplinary action or terminations? ☐ Yes ☐ No



Crime Protection

Audit Function

1. Do external auditors audit all operations at least annually? ☐ Yes ☐ No
2. (a) Have all recommendations by external auditors regarding internal controls been complied with, following your last audit? ☐ Yes ☐ No
- (b) If no, please provide details:
- _____
- _____
3. (a) Do you have an internal audit department? ☐ Yes ☐ No
- (b) Do they have an established audit cycle for all operations? ☐ Yes ☐ No

Recruitment Procedures

4. When recruiting or promoting employees to positions of trust do you undertake independent checks into their employment history? ☐ Yes ☐ No

Internal Controls

5. Are wages/salaries independently checked against personnel records for unusual or excessive payments? ☐ Yes ☐ No
6. Are duties segregated so that no individual can control any payment or payment process from commencement to completion without referral to others? ☐ Yes ☐ No
7. Is all supporting documentation validated before authorising payments? ☐ Yes ☐ No
8. Are bank statements independently reconciled with customer accounts by persons not authorised to deposit/withdraw funds, issue funds transfer instructions or dispatch accounts to customers? ☐ Yes ☐ No
9. Is an independent physical count of stock, raw materials, work-in-progress, and finished goods undertaken at least half yearly, and is this count reconciled against stock records? ☐ Yes ☐ No ☐ N/A

Suppliers/Service Providers/Outsourcing

10. Are suppliers, service providers and outsourcing companies vetted for competency, financial stability and honesty? ☐ Yes ☐ No
11. Do you outsource any finance related or administrative activities to third party service providers? ☐ Yes ☐ No
- If yes, please give details of services provided:
- _____
- _____
12. If the service provider or outsourcing company operates on your premises are their employees under your daily management control? ☐ Yes ☐ No



Computer Systems

13. Is access to internal systems restricted to those that require access to those systems to perform their job function? ☐ Yes ☐ No
14. Are programmes protected to detect unauthorised changes? ☐ Yes ☐ No
15. Is your computer system protected by virus detection and repair software? ☐ Yes ☐ No

Funds Transfers

“Fund Transfers” means any instruction (other than cheques) given to a Financial Institution to pay or deliver funds.

16. What is the approximate value of annual fund transfer? \$
17. Please specify the method of instruction (e.g. written, electronic, computer, telephone etc.)
- _____
- _____
- _____
- _____
18. Can payment instructions be made to any account which has not been pre-agreed? ☐ Yes ☐ No
19. Is the financial institution required to authenticate (e.g. call back procedure) the instruction before payment is released? ☐ Yes ☐ No
20. Please provide a brief description of the methods used to secure fund transfers (e.g. passwords, encryption, code words, call back).
- _____
- _____
- _____
- _____



Claims Information

1. Having made appropriate enquiries:

- (a) In the last 5 years have there been any claims made against, investigations into, or loss suffered by the Policyholder or its Subsidiaries, or its Managers (including Employees) which may have been covered under this policy if it were in force? ☐ Yes ☐ No
- (b) In the last 5 years has the Policyholder or its Subsidiaries suffered any direct financial loss exceeding \$10,000 as a result of fraud or dishonesty? ☐ Yes ☐ No
- (c) Has any Manager (including Employees) of the Policyholder or its Subsidiaries ever had proceedings (civil or criminal) instigated against them alleging misconduct or breaches of the law in their capacity as a Manager of the Policyholder or its Subsidiaries? ☐ Yes ☐ No
- (d) Are any Managers aware of:
- (i) Any facts which might give rise to a claim being made against, investigations into, or loss suffered by the Policyholder or its Subsidiaries or its Managers which may be covered under this policy if it commences? ☐ Yes ☐ No
- (ii) Any facts which would cause a reasonable person to think that the Policyholder or its Subsidiaries might suffer a direct financial loss as a result of fraud or dishonesty? ☐ Yes ☐ No

If you have answered "Yes" to any of the above questions, please attach full details. Include the allegations, loss incurred (including defence costs, representation costs, settlements, judgments and any insurer reserves), and details of any remedial action taken.



Declaration

We declare that we have made all necessary enquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars in this proposal are true and complete and that no material facts have been omitted, misstated or suppressed. We agree that should any of the information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, we will give immediate notice thereof to the insurer.

We agree that this proposal and declaration shall be the basis of and incorporated in the insurance contract and that the insurance contract may be avoided if (amongst other things) any statement in the proposal is “substantially incorrect” and “material” as both those terms are defined in the Insurance Law Reform Act 1977.

We authorise the disclosure of personal information held by any party regarding our previous insurances for the purposes of arranging this insurance.

We acknowledge receipt of the **Important Notices** contained in this proposal and that we have read and understood the content of that Notice.

We confirm that we are authorised by the proposed Policyholder and its Managers to complete, sign and submit this proposal on behalf of the proposed Policyholder and its Managers.

To be signed by two directors of the proposed Policyholder

SIGNATURE:

NAME:

TITLE:

DATE:

SIGNATURE:

NAME:

TITLE:

DATE:



Schedule of Outside Entities

| Outside Entity | Insurer | Policy Number | Limit of Liability | Expiry Date | Stock Exchange (and ticker/symbol) | Activity |
|----------------|---------|---------------|--------------------|-------------|---------------------------------------|----------|
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |



Employment Practices Liability: North American Supplementary Questionnaire -

This Supplementary Questionnaire forms part of the main proposal. It is to be completed for all Employees domiciled in the USA or Canada.

Employee Details

1. Please provide the following details regarding the Employees (including all directors and officers) of the Policyholder and all of its Subsidiaries in North America:

| State, Province or Territory | Employees | Independent Contractors |
|------------------------------|-----------|-------------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

2. Does the Policyholder and all of its Subsidiaries in North America include “at will” employment wording in their employment applications, employment contracts, and employee handbooks? ☐ Yes ☐ No
3. Does the Policyholder and all of its Subsidiaries in North America have a Family and Medical Leave Act (FMLA) policy? ☐ Yes ☐ No
4. (a) Does the Policyholder and all of its Subsidiaries in North America provide severance packages to terminated, redundant, or laid off employees? ☐ Yes ☐ No
- (b) If “Yes”, does the severance agreement include a waiver of release of an employee’s rights to bring a claim against the Policyholder or its Subsidiaries? ☐ Yes ☐ No
5. In the last 5 years, has the Policyholder or its Subsidiaries been involved in or become aware of any actions, charges, inquiries, investigations, grievance filings, or other administrative hearings by the Equal Employment Opportunity Commission, National Labor Relations Board, Department of Labor, or any similar federal, state, or local government agency?
If “Yes”, please provide full details by attachment. ☐ Yes ☐ No
6. Please attach the most recent EEO-1 report for the Policyholder and any Subsidiary with 100 or more employees in the United States. ☐ Yes ☐ No



Bring on tomorrow

AIG Insurance New Zealand Limited

The AIG Building, Level 19
PO Box 1745, Shortland Street
Auckland 1140

T +64 9 355 3100
F +64 9 355 3135
www.aig.co.nz