

DUTY OF DISCLOSURE

This proposal form is to be completed by the Applicant or an Authorised Officer of the Applicant.

The information provided to Vero Liability in this proposal form will be the basis of any contract of insurance entered into.

You must disclose to Vero Liability Insurance Limited all information which is material to it in deciding whether to issue insurance cover to you, and if so on what terms and/or premium. This includes but is not limited to any circumstances or conduct which might lead to a claim being made against you. This may also include information which is additional to the questions that we have asked. The duty to disclose material information occurs prior to the commencement of cover, prior to each renewal or whenever the policy is varied. This means that prior to renewal or any policy variations, as well as advising of new information you also need to advise us of any alterations to the facts previously notified. Failing to disclose material information may result in your policy being avoided. This means that your policy would be deemed to have never existed and no claims would be payable.

If there is insufficient space to provide full information in this proposal, please attach additional sheets.

WHEN IN DOUBT DISCLOSE.

Applicant Details

Name of applicant including trading names, names of subsidiaries and any other parties to be insured

Address

Website Address

Email Address Contact Person

Phone Number Broker / Agent

Business Details

State fully the nature of your business/profession (please include current and past activities):

	Last Financial Year	Current financial Year estimated
Total Turnover/Gross Fees	\$	\$
What percentage of Turnover is generated in online sales?	%	%

Number of employees having responsibility for money, stock and/or accounts including any financial dealing or trading (eg executives, managers, accounts personnel, stock controllers, computer staff, site managers, commercial travellers, van drivers etc)

Number of employees with no responsibility for money, stock and/or accounts

Number of locations/branches: Within New Zealand? Elsewhere?

Recruitment Procedures

When recruiting or promoting employees to positions of trust involving handling of stock, money, financial or treasury functions, do you:

(a) Undertake independent checks into their employment history? Yes No

(b) Undergo a process to ensure their suitability for the position? Yes No

Internal Controls

Are duties segregated so that no individual can control any of the following activities from commencement to completion without dual authorisation:

(a) Signing cheques or authorising payments (including capital expenditure)? Yes No ▶

(b) Issuing funds transfer instructions? Yes No ▶

(c) Amending funds transfer procedures?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(d) Opening new accounts?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(e) Investment in and custody of securities and valuables (including bank cheques, travellers cheques, bills of exchange etc.)	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(f) Refund monies or return goods?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(g) Disbursement of assets or funds of any Pension Plan?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(h) Awarding contracts following a tender?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
Are all supporting documents validated before authorising payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
Are statements of accounts sent to customers independently of employees receiving statements?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
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 <input type="checkbox"/>	No <input type="checkbox"/> ▶
Are wages/salaries independently checked against personnel records for unusual or excessive payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶

▶ If the answer is No to any of these questions please describe the process

Audit/Governance

Are your financial statements subject to:

(a) Annual Audit, or	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(b) Annual Review Engagement	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶

by an external auditor/reviewer?

▶ If No, please describe the process for monitoring and oversight of financial performance

Are internal auditors able to input data transactions? Yes No

What is the name of the firm of Chartered Accountants or other audit professionals who undertook your last audit/review

Was the latest audit 'unqualified'? Yes No ▶

▶ If No, please advise details

Do you have formalised internal audit protocols to monitor financial, operational and IT processes? Yes ▶ No

▶ If Yes, briefly describe their nature and frequency

Do you have an Audit Committee or such like which monitors internal controls and audit processes and reports directly to the Board of Directors? Yes No

IT/Computer Systems

Do you have a dedicated in-house resource for the management of IT/Computer Systems? Yes No

Do you contract external consultants to manage your IT systems? Yes No

Are computer passwords issued to control various levels of entry to systems to correspond with users' authorisations? Yes No

How frequently are passwords changed?

(a) Are passwords cancelled when users leave	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(b) Are programmes changes authorised independently of personnel who implement the changes?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(c) Are programmes protected to prevent/detect unauthorised changes?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(d) Are all of your computers and other devices firewall-protected to prevent unauthorised access from all external sources?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(e) Do you utilise a proprietary anti-virus software programme with maintenance agreement to protect all of your computer devices against viruses, malware, spyware and worms?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶
(f) Do you maintain a full back up and recovery system for all data	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶

▶ If the answer is No to any of the above (a) – (f), please describe processes

How frequently do you back-up data?

What back-up media or resource do you use?

Have your programmes or hardware ever been the subject of any unauthorised access or any virus or malware?	Yes <input type="checkbox"/> ▶	No <input type="checkbox"/>
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▶ If Yes, please describe circumstances and remedial or recovery actions

Are your IT systems/security subject to external audit?

Yes ▶ No

▶ If Yes, how frequently?

Funds Transfer

Please Note: "Fund Transfers" means any instructions (other than cheques) given to a Financial Institution to pay or deliver funds to a third party.

What is the approximate annual value of fund transfers?	\$
Are all funds transfers transacted via a banking institution's proprietary system?	Yes <input type="checkbox"/> No <input type="checkbox"/> ▶

▶ If No, please describe the method of instructions (eg written, electronic, telephone)

Does the respondent institution authenticate instructions prior to releasing payments?

Yes No

Internet Trading

Do you utilise internet sites for:

(a) online purchases?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(b) bill payments?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(c) other financial transactions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
For online credit card transactions do you comply with Payment Card Industry Data Security Standards?	Yes <input type="checkbox"/>	No <input type="checkbox"/> ▶

▶ If No, please detail your security arrangements for such transactions

Suppliers/Service Providers

Do you maintain an approved suppliers list? Yes No

Are purchases from non-listed suppliers approved by duly authorised personnel? Yes No ▶

▶ If No, please provide brief details

Do you outsource any activities to external providers or consultants? Yes ▶ No

▶ If Yes, please provide brief details

Are outsourcing providers engaged under contract? Yes No

Are outsourcing providers operating on your premises under your management control? Yes No

Stock in Trade/Premises Security

Are all premises with stock in trade cash (other than petty cash) protected by an appropriate level of physical security? Yes No

What is the maximum possible value of stock-in-trade at any single premises/location? \$

Are all intruder alarms maintained in full working order and monitored under contract to a reputable monitoring service? Yes No ▶

▶ If No, please provide brief details of security provisions

How frequently are physical stock-takes reconciled against stock records?

Prior Insurance

Has any insurer in respect of the risks to which this proposal relates ever:

1. declined a proposal, refused renewal or terminated any insurance? Yes ▶ No

2. required an increased premium or imposed special conditions? Yes ▶ No

3. declined an insurance claim by the Applicant or reduced its liability to pay an insurance claim in full (other than by application of an Excess)? Yes ▶ No

▶ If Yes to any of the above please give details

Past Claims

Has any claim been made against the Applicant or any principal or director (including principal or director of any previous business) consultant or employee in respect of the risks to which this proposal relates? Yes ▶ No

Has the Applicant or any principal, partner, director, consultant or employee incurred any other loss or expense which might be within the terms of this insurance? Yes ▶ No

▶ If Yes in either case please give details

Date of Claim or Loss	Brief details of claim or loss	Cost (if any of claim paid or loss insured)	Estimated outstanding loss
		\$	\$
		\$	\$
		\$	\$
		\$	\$

What action has been taken to prevent a recurrence of the situation which gave rise to each claim or loss?

Declaration

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

1. the information and answers given in this proposal are in every respect true and correct and that Vero Liability has been made aware of all information that may be material in considering this proposal.
2. this proposal and declaration shall be the basis of and incorporated in the insurance contract.
3. I/We warrant that we will notify Vero Liability of any material alteration to these facts whether occurring before or after the completion of this insurance contract.
4. Vero Liability is authorised to give to or obtain from any other insurers or any insurance broker or other party any information relating to this insurance or any other insurance held by me/us or any claim made by me/us.

I/We understand that:

- Vero Liability is collecting the information on this proposal for the purpose of conducting its business, evaluating our insurance requirements and deciding whether to issue insurance cover and if so on what terms.
- failure to provide any of this information may result in Vero Liability refusing to provide the insurance.
- this information will be held by Vero Liability at 23-29 Albert Street, Auckland.
- I/We have certain rights of access to and correction of this information.

Signed:

Title:

Date:

If this proposal form is being completed electronically, please print the completed form to sign.

Note: Completion of this proposal does not bind the Applicant or Vero Liability to enter into a contract of insurance.

Vero Liability Insurance Limited

Level 32 ANZ Centre, 23-29 Albert Street

Private Bag 92055, Auckland 1142, New Zealand

Telephone 09 306 0350