

FIDELITY GUARANTEE
PROPOSAL FORM

All questions in this proposal form must be answered

Any question in this application that requires a Yes or No answer which is left incomplete or ambiguous will be assumed to be answered as 'No'.

| Period of insurance | | | | | | | |
|----------------------|------|---|---|----|---|---|---------|
| Period of insurance: | From | / | / | To | / | / | at 12pm |

| Entity information | | |
|--|------------------|----------|
| Full name of Insured Entity (please attach a list of all subsidiary companies to be covered by this policy): | | |
| Address | State | Postcode |
| Nature of business | | |
| Year established | | |
| Total Assets (consolidated) \$ | Total Revenue \$ | |

| Controls | |
|---|--|
| Audits | |
| (a) How frequently are audits made? | |
| Cash and Accounts – External | Internal |
| Inventory & Stocks – External | Internal |
| (b) by whom? | |
| External | |
| Internal | |
| (c) Are all locations audited? | Yes <input type="checkbox"/> No <input type="checkbox"/> If 'No' please advise why not |
| (d) What was the date of the last audit? | / / |
| (e) Was the last report to the chief executive regarding your internal operations by your external auditors unqualified? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'No', please provide details of the qualifications and the corrective action taken. (Use a separate sheet of paper if necessary.) Please attach a copy of the auditor's report to management and management's response. | |
| (f) Are bank accounts reconciled by someone who is not authorised to deposit or withdraw from them? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'No' how often are they reconciled, and by whom? | |
| (g) Is countersignature of all cheques required? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'Yes' by whom are they signed and at what amount is dual signature required? | |
| Are securities subject to joint control by two or more employees? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Do any employees have full access to the cash and accounts or stock/inventory controls? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'Yes', please provide details | |
| Are cheque signing machines used? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'Yes' are signature plates and blank cheques kept in a locked safe? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'No', please provide details | |
| Are the duties of programmers and operators separated? | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| If 'No', please provide details | |
| What other measures are in place to mitigate risk? | |

Security

Is there controlled access to all locations where money and/or stock are kept?

Yes No

Please provide details

Are all premises containing money, stock etc connected to a back to base intruder alarm?

Yes No

If 'No' what alternative controls are in place?

What are the nature and maximum value of goods in the care, custody and control of the Insured at any one location?

What is the maximum value of money, negotiable instruments at any one location:

(a) during business hours \$

(b) outside business hours \$

What security measures are taken with respect to the transfer of money and/or negotiable instruments? (eg armoured car, security company)

What is the maximum value of money and/or negotiable instruments

(a) during any one transfer \$

(b) total transfers annually \$

Employees

Is there likely to be a substantial increase in the number of employees or locations during the period of insurance by reason of:

(a) Seasonal Activity? Yes No Estimated Increase

(b) Company Expansion? Yes No Estimated Increase

Are references from previous employers required for all new employees? Yes No If 'No' please advise why not

Please advise total employee numbers by country and category

| Country | Class 1 Executives not referred to in Classes 2 and 3 | Class 2 Employees engaged in handling money/ negotiable instruments. stock and store supervisors | Class 3 Employees engaged in the delivery of goods | Class 4(a) Work experience students and temporary staff | Class 4(b) All other employees not included in Classes 1, 2, 3 or 4(a) |
|---------|--|---|---|--|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Claims information

List any acts of dishonesty or incidents which have occurred during the last five (5) years (please attach a further list if the space provided is insufficient)

| Date | Description | Amount | Corrective measures taken (other than dismissal and/or recovery) |
|------|-------------|--------|--|
| | | \$ | |
| | | \$ | |
| | | \$ | |

Previous Fidelity Guarantee Insurance

Previous Fidelity coverage (please attach a further list if the space provided is insufficient)

| Insurer | Period | Limit |
|---------|--------|-------|
| | | |
| | | |
| | | |
| | | |

Has any Fidelity Guarantee insurance carried by the Insured been declined or cancelled within the last five (5) years by any Insurer? Yes No
 If 'Yes' please provide details

Application for Cover

Limit of Indemnity required \$ _____

Excess required (each and every claim) \$ _____

Declaration

I/We hereby declare on behalf of all proposed insureds that:

- all answers and statements in this proposal are correct and complete in every respect and there is no further information which may affect acceptance of the proposal;
- if accepted by Alliance Insurance, this proposal and declaration, and any other material which I/We have provided Alliance Insurance, shall be incorporated into and form the basis of the contract of insurance;
- I/We understand that Alliance Insurance requires this and needs to retain this information in order to decide whether to accept this proposal and also that the Privacy Act entitles me/us to have access to and request the correction of this information;
- Alliance Insurance is authorised to disclose information received from me/us to its advisors, reinsurers and to other insurers. I/We authorise Alliance Insurance to obtain, from any party, information that is, in Alliance Insurance's view, relevant to this proposal;
- I/We understand that the insurance will not be in force until this proposal has been accepted and cover confirmed by Alliance Insurance.

| | |
|--|------|
| Signature (Managing Director or Company Secretary) | Date |
| | / / |

So that the Underwriter may gain a full understanding of your operations, if possible, please attach a copy of your latest Annual Report and/or Report.