



FEDERAL INSURANCE COMPANY - SINGAPORE
One of the Chubb Group of Insurance Companies

18 Cross Street, #11-08 China Square Central, Singapore 048423
Telephone: 6333 8113 Facsimile: 6333 8112

FOREFRONT PORTFOLIO PROPOSAL FORM

NOTICE TO THE APPLICANT:

YOU ARE TO DISCLOSE IN THIS PROPOSAL FORM FULLY AND FAITHFULLY ALL FACTS WHICH YOU KNOW OR OUGHT TO KNOW, OTHERWISE YOU MAY RECEIVE NOTHING FROM THE POLICY (AS DEFINED BELOW).

Completing the Proposal Form

- Please answer all questions in full leaving no blank spaces.
- If you have insufficient space to complete any of your answers, please attach a separate signed and dated sheet and identify the question number concerned.
- It is agreed that whenever used in this proposal form, the term **Applicant** means the **Principal Organisation, Insured Organisation** and all its **Subsidiaries**, as defined in the Federal Forefront Portfolio Policy (the "policy").
- It is agreed that whenever used in this proposal form the definition of the terms 'Claims', 'Policy Period' or 'Defence Costs' are in accordance with the policy.
- The headings in this proposal form are solely for convenience.

THE LIABILITY COVERAGE SECTION OF THE POLICY FOR WHICH THIS PROPOSAL IS SUBMITTED IS A CLAIMS MADE & REPORTED POLICY WHICH COVERS ONLY 'CLAIMS' FIRST MADE AND REPORTED IN WRITING IN ACCORDANCE WITH THE POLICY PROVISIONS. THE LIMIT OF LIABILITY TO PAY 'LOSS' WILL BE REDUCED AND MAY BE EXHAUSTED BY 'DEFENCE COSTS'.

PLEASE READ THE POLICY AND PROPOSAL CAREFULLY

1. Name of **Applicant**: _____ Year Established: _____

2. **Applicant's** Principal
Address: _____

3. Nature of **Applicant's** Business:

4. Does the **Applicant** have any operations:
(a) in the United States of America ? Yes No
(b) any other overseas locations? Yes No
If, yes, please specify which overseas locations: _____

5. Is the **Applicant** a:
(a) private company? Yes No
(b) public company? Yes No

6. Is the **Applicant** listed on any stock exchange anywhere in the world? Yes No
If yes, identify the exchange(s) on which the **Applicant** is listed together with its stock symbol:

7. **Directors and Officers Liability**

(a) Name of Directors: _____

(b) Name of shareholders and percentage of shares owned in **Applicant**: _____

(c) Is the **Applicant** anticipating any merger, acquisition, divestment or public offering of securities within the next twelve months? Yes No

If yes, please provide details:

8. **Financial Information**

The **Applicant** is only required to provide the information requested below if audited Financial Statements for the past two years are **unavailable**.

	This year (/ /200)	Last year (/ /200)
Total Assets	\$	\$
Total Liabilities	\$	\$
Total Revenue:	\$	\$
Total Net Assets:	\$	\$
Ater tax Profit (Loss):	\$	\$

9. **Employment Practices Liability**

(a) Total number of local employees (including full time, part time and casual): _____

(b) Total number of overseas employees (including full time, part time and casual): _____

(c) Geographical breakdown of overseas employees:

- (i) Australia:
- (ii) USA:
- (iii) Other (please specify):

(d) How many directors and/or employees left the **Applicant** in the last twelve (12) months? _____

(e) Does the **Applicant** anticipate any retrenchments or layoffs within the next 12 months? Yes No
If yes, how many?

(f) Does the **Applicant** have written employment procedures (eg Employee Handbook) that are available to each employee? Yes No

10. **Internet Liability**

(a) Identify the internet site (including URL) for which coverage is sought:

(b) The date the site first went on line?

(c) Does the **Applicant** own a registered trademark in its domain name? Yes No

(d) Does the **Applicant** have a privacy policy posted on all of its internet sites? Yes No

(e) Does the **Applicant** require review and approval of content by lawyers prior to allowing any content to be posted on its internet site? Yes No

(f) Do any of the **Applicant's** internet sites contain any of the following content; transact business in any of the following areas; sell or make available any of the following products or services:

(i) Pornographic material or other material of a sexually explicit nature? Yes No

(ii) Medical records or other health care information pertaining to identifiable patients? Yes No

(iii) Financial services including banking, insurance or investment services? Yes No

(iv) Professional services such as legal services, accounting services, medical services or services that must be provided by licensed professionals? Yes No

(v) Music available to be downloaded by users? Yes No

Please Note: If the **Applicant** answered 'yes' to any of the foregoing it may be ineligible for Forefront.

(g) Is electronic commerce conducted on any of the **Applicant's** internet sites? Yes No

Please Note: If yes, the **Applicant** may be ineligible for Forefront.

11. **Outside Directorship Liability**

(a) Does the **Applicant** require cover for any Outside Directorships? Yes No

If yes, complete Schedule A – Outside Director Liability Supplementary Proposal - for those positions for which the **Applicant** requires coverage.

(An Outside Directorship means the position of company director, officer, trustee, governor, councillor, company secretary or the holder of an equivalent position in any jurisdiction held by the **Applicant's** executive officers on the board of an entity which is not (i) a subsidiary of the **Applicant**; (ii) a non-profit entity; (iii) publicly traded; (iv) located, incorporated, domiciled or operating in the USA; or a financial institution, which position is assumed and maintained at the request of the **Applicant**.)

12. **Crime**

(a) Does any person reconciling bank statements also sign cheques and/or handle bank deposits?

Yes No

(b) Does any person preparing cheque requisitions also sign cheques?

Yes No

(c) Are countersignatures required on all cheques?

Yes No

(d) Is there an annual independent physical count of stock that is reconciled against inventory records?

Yes No

(e) If the **Applicant** uses or participates in any electronic funds transfer facilities:

(i) who has authority to initiate a funds transfer?

(ii) does the person initiating a funds transfer also authorise such funds transfer?

Yes No

(iii) what are the authorised limits of the person authorised to initiate a funds transfer?

(iv) what are the authorised limits of the person authorised to approve a funds transfer?

(v) what procedures are in place for authenticating funds transfer instructions?

(f) Is there controlled access to all the **Applicant's** premises and computer terminals at such premises?

Yes No

13. **Loss & Insurance History**

(a) Is any person proposed for coverage aware of any facts or circumstances which he or she has reason to suppose might afford valid grounds for any future claim(s) that would fall within the scope of the proposed coverage or which indicate the probability of any such claim(s)? If yes, please provide details.

Yes No

(b) Within the last three years, has the **Applicant**, its directors, officers and/or any other proposed insured person been the subject of any complaint, suit, inquiry or notice of a hearing from any State, Territory or Federal regulatory, body, or any other party? If yes, please provide details.

Yes No

(c) Within the last three years, has the **Applicant** discovered any employee dishonesty, burglary, robbery, disappearances, destruction or forgery losses? If, yes, please provide details.

Yes No

(d) Has the **Applicant** been declined, had cancelled or non-renewed any insurance policies for any of the coverages for which it is applying?

Yes No

If, yes, please provide details: _____

14. **False Information**

Any person who, knowingly and with intent to defraud any insurance company or other person, files a proposal for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which may result in a denial of insurance benefits or rescission of the policy.

15. **Limit of Liability**

What limit of liability does the **Applicant** require?

\$500,000 \$1 million \$3 million \$5 million

16. **Declarations and Signature**

The undersigned officer of the **Applicant** declare that to the best of his or her knowledge and belief the statements set forth herein and all attachments and schedules hereto are true and complete and immediate notice will be given should the above information alter between the date of the proposal form and the effective date of this policy.

Although the signing of this proposal form does not bind the undersigned on behalf of the **Applicant** or its directors, officers or other insured person to effect insurance, the undersigned, the **Applicant** and all persons proposed for this insurance agree that this proposal and its attachments and schedules shall be the basis of the contract should a policy be issued and shall be attached to and form part of this policy.

This section of the proposal form must be signed by the **APPLICANT'S CHAIRMAN OF THE BOARD, AN EXECUTIVE DIRECTOR OR ITS MANAGING DIRECTOR.**

IMPORTANT

“STATEMENT PURSUENT TO SECTION 25(5) FOR THE INSURANCE ACT, CAP.142”. YOU ARE TO DISCLOSE IN THIS FORM FULLY AND FAITHFULLY ALL FACTS WHICH YOU KNOW OR OUGHT TO KNOW, OTHERWISE YOU MAY RECEIVE NOTHING FROM THE POLICY.

Date

Signed

Title

SCHEDULE A: OUTSIDE DIRECTOR LIABILITY SUPPLEMENTARY PROPOSAL

Position held in the Outside Entity	Name of Outside Entity	% shares owned by Applicant	Name of each entity or individual holding more than 5% of shares of Outside Entity	If Outside Entity is publicly traded provide stock symbol and identify exchange on which its securities are traded.	Nature of Business Activities	Country of Incorporation

Is Outside Entity public, private or other?	Does the Outside Entity indemnify its directors and officers?	Indicate D&O Insurer and Insurance limit and deductible carried by the Outside Entity	Has the Outside Entity or its directors and officers been involved in any D&O litigation related to the Outside Entity? If yes, attach details.

PLEASE ATTACH LATEST ANNUAL REPORT INCLUDING FINANCIAL STATEMENTS FOR EACH OUTSIDE ENTITY.