

# QBE Directors' & Officers' Liability Insurance

## For Association Liability (for Schools)

### SPECIALIST PROPOSAL

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# QBE Directors' & Officers' Liability Insurance

## PRIMARY PROPOSAL

### A. NOTICE TO THE PROPOSED INSURED

#### 1. Disclosure of Relevant Facts

##### Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty to disclose to the insurer every matter which 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 us before you renew, extend, vary or reinstate a contract of insurance.

##### Comment

The requirement of full and frank disclosure of anything which may be material to the risk for which you seek cover (eg. claims, whether founded or unfounded), or to the magnitude of the risk, is of the utmost importance with this type of insurance. It is better to err on the side of caution by disclosing anything which might conceivably influence the insurer's consideration of your proposal.

#### 2. Claims Made Policy

This proposal is for a "claims made" policy of insurance. This means that the policy covers you for claims made against you and notified to the insurer during the period of cover. This policy does not provide cover in relation to:

- events that occurred prior to the retroactive date of the policy (if such a date is specified);
- claims made after the expiry of the period of cover even though the event giving rise to the claim may have occurred during the period of cover;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- claims made, threatened or intimated against you prior to the commencement of the period of cover;
- facts or circumstances of which you first became aware prior to the period of cover, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy;
- claims arising out of circumstances noted on the Proposal Form for the current period of cover or on any previous proposal form.

However, where you give notice in writing to the insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the period of cover, the policy will, subject to the terms and conditions, cover you notwithstanding that a claim is only made after the expiry of the period of cover.

You should familiarise yourself with our standard form of policy for this type of cover before submitting this proposal.



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## D. FINANCIAL POSITION OF THE ASSOCIATION

(PLEASE SUPPLY A COPY OF THE LATEST FINANCIAL REPORT)

- (a) Has there been any change in the financial position of the Association or is there any trend or event not reflected in the Annual Report and financial statements attached to this Proposal, that might materially affect the financial position shown in those statements? YES  NO
- (b) Is any proposed Insured Person aware of facts or circumstances that might affect the ability of the Association to meet all its debts as and when they fall due? YES  NO

If you have answered "Yes" to either part (a) or part (b) above, please supply details.

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## E. OPERATIONS OF THE ASSOCIATION

- (a) Number of students :
- Current year .....
- Previous year .....

- (b) Number of staff :

	Current Year	Previous Year
Full-time teachers	.....	.....
Part-time teachers	.....	.....
Other teaching staff	.....	.....
Administrative staff	.....	.....
Social workers	.....	.....
Volunteer	.....	.....
Others, please specify :		
.....	.....	.....

- (c) Are you anticipating any redundancies, early retirements or downsizing in the next 12 months? YES  NO

If you have answered "Yes", please supply details :

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- (d) Have there been any Employment Related Matters or Claims that would have been covered under this Policy in the last five (5) years? YES  NO

If you have answered "Yes", please supply details :

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- (e) Do you have structured procedures/ guidelines on the below in order to avoid discrimination, unfair treatment or dismissal, etc.

- (i) Recruitment YES  NO   
 (ii) Employment termination YES  NO   
 (iii) Promotion YES  NO   
 (iv) Performance appraisals YES  NO   
 (v) Disciplinary Actions YES  NO   
 (vi) Sexual harassment / molestation YES  NO

If you have answered "No" to any of the above, please elaborate :

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- (f) Do you have structured procedures/ guidelines on the below in order to avoid discrimination, unfair treatment or expulsion, etc.

- (i) Student Enrollment YES  NO   
 (ii) Suspension / expulsion YES  NO   
 (iii) Corporal punishment YES  NO   
 (iv) Performance assessment YES  NO   
 (v) Students require special care YES  NO

If you have answered "No" to any of the above, please elaborate :

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- (g) Does the Association issue any brochures or other promotional material describing its activities or services? YES  NO

If you have answered "Yes", please supply details :

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 .....

## F. CLAIMS HISTORY OF DIRECTORS, OFFICERS AND BOARD OR COMMITTEE MEMBERS

After full enquiry,

- (a) Has there been or is there now any prior or pending Claim against any proposed Insured Person, in their capacity as a director or officer of either the Association or any other company, organization, association, or trust? YES  NO   
 (b) Has there been or is there now any prior or pending litigation against any proposed Insured Person? YES  NO

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- (c) Do any circumstances exist that might give rise to a Claim against any proposed Insured Person? YES  NO

If you have answered Yes to either part (a), part (b) or part (c) above, please supply details.

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## G. CLAIMS HISTORY OF ASSOCIATION

- (a) Has there been, or is there now any prior or pending action, litigation or other proceeding against the Association, including but not limited to any action, litigation or other proceeding brought under or pursuant to any Federal, State, or local legislation? YES  NO
- (b) Has there been or is there now any prior or pending investigation, examination, inquiry or other proceedings in relation to the affairs of the Association? YES  NO
- (c) Do any circumstances exist that might give rise to any event described under (a) or (b) above? YES  NO

If you have answered Yes to either (a), (b) or (c) above, please supply details.

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## H. INSURANCE COVER

- (a) Does the Association presently carry or has the Association ever carried, Directors and Officers Liability Insurance, Professional Indemnity Insurance and/or Association Liability Insurance? YES  NO

If Yes, please supply details:

Insurer: .....

Expiry Date: .....

Limit of Indemnity: .....

Premium: .....

- (b) Has the Association or any proposed Insured Person ever been refused this type of insurance, or had similar insurance cancelled, or had an application of renewal declined, or had special terms imposed? YES  NO

If Yes, please supply details.

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## I. APPLICATION FOR COVER

- (a) Limit of Indemnity required: .....
- (b) Deductible/Excess requested: ..... (Each and Every Claim)
- (c) Policy Inception: .....

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## J. DECLARATION

I/We the undersigned authorized Insured Person(s), after enquiry declare as follows:

- (1) I am / We are authorised by each of the other Applicants to make this Proposal.
- (2) I/We have read and understood the Notice to the Proposed Insured on the front of this Proposal.
- (3) I/We have read this Proposal and the accompanying documents and acknowledge the contents of same to be true and complete.
- (4) I/We understand that, up until a contract of insurance is entered into, I am /We are under a continuing obligation to immediately inform QBE of any change in the particulars or statements contained in this Proposal or in the accompanying documents.

Although the signing of this Proposal does not bind the Applicants to effect insurance, the Applicants acknowledge that the particulars and statements contained in this Proposal and in the accompanying documents shall be the basis of the contract should a Policy be issued; and further, the Applicants acknowledge that the Proposal and the accompanying documents will be incorporated in the Policy.

Signed, Chairman/President: ..... Date : ...../...../.....

Signed, Managing Director  
/Chief Executive Officer : ..... Date : ...../...../.....

Please enclose with this Proposal :

- (a) The latest Annual Report and financial statements (including audit report) of the Association.
- (b) Copy of the Indemnity Clause (if applicable).

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**Your Insurance Adviser or Broker**



## QBE Directors' & Officers' Liability Insurance

### Broker Commission Disclosure Statement

If the intermediary who serves you is an Insurance Broker, please read this:

"The applicant understands, acknowledges and agrees that, as a result of the applicant purchasing and taking up the policy to be issued by QBE Hongkong & Shanghai Insurance Limited, QBE Hongkong & Shanghai Insurance Limited will pay the authorized insurance broker commission during the continuance of the policy including renewals, for arranging the said policy. Where the applicant is a body corporate, the authorized person who signs on behalf of the applicant further confirms to QBE Hongkong & Shanghai Insurance Limited that he or she is authorized to do so.

The applicant further understands that the above agreement is necessary for QBE Hongkong & Shanghai Insurance Limited to proceed with the application."



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