

Management Liability Policy

Extended proposal form



Completing the form

Please note which sections of this form you need to fill in:

Section 1 – General information section – **everybody**

Section 2 – Directors' and officers' or Trustees' liability section – **everybody**

Section 3 – Income information for charities, clubs and associations – **only clubs, charities or associations**

Section 4 – Employment practices liability – **only if you wish to add this cover**

Section 5 – Legal liability section – **only if you wish to add this cover**

Section 6 – Crime cover – **only if you wish to add this cover**

Section 7 – Insurance details section – **everybody**

Section 8 – Extra information – **only if you need more space for any answer**

Section 9 – Declaration – **everybody**



Checking the form

Please check all the details you have provided are full and true. Please make sure that you include all relevant information: this is information that could affect our decision to give you insurance or affect the terms we give you. If you are not sure if something is important or relevant, you should tell us.

If you fail to give full and true answers, your policy may not protect you in the event of a claim.

If you need more space, there is extra space in Section 7, or you can attach additional sheets.

Please read the Data Protection Notice at the end of this proposal form carefully.

Please keep a record of all information given to us (including copies of letters or emails), and a copy of this proposal form, as it is part of your insurance policy.



Copies of documents

If you need a copy of this proposal form, please contact us. We can supply copies up to three months after receiving the form. Please also contact your insurance adviser if you would like a copy of the policy wording.



Law applicable to the policy

You and we can choose the law which applies to this policy. We propose that the Law of England and Wales apply. Unless we and you agree otherwise, the Law of England and Wales will apply to this policy.

AXA Insurance UK plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. This can be checked on the FCA's register by visiting the FCA's website at www.fca.org.uk/register or by contacting them on 0800 111 6768.



1 General information

Everybody must complete this section.

Your details

1.1 What is the full name of your organisation?

1.2 What is your business description or activity?

1.3 What year was your organisation first registered?

1.4 What is your registered address?

Postcode

1.5 When would you like cover to start?

 / /

Corporate structure and history

1.6 What was your latest annual turnover/income?

1.7 Is your organisation?

Public – please tell us where your shares are listed?

Private

Charity

Club

Association

Other

1.8 Does your company/organisation have any overseas subsidiaries?

No

Yes – please give full details.

1 General information *continued*

1.9 Does any person or company hold more than 20% of your shares?

No

Yes – please give the name or names of shareholders and the percentage they hold.

1.10 During the last 3 years, has:

any acquisition or merger taken place?

any subsidiary company been sold or ceased trading?

your capital structure changed?

If you have ticked any box for this question, please give full details including dates below.

If you need more space

If you need more space to answer any question, please use Section 8 on page 17. If you need more space, please attach additional sheets, adding your organisation name to each.

1.11 Have any directors or trustees of the organisation resigned or been replaced in the last 12 months?

No

Yes – please give full details including the reason for their leaving.

1.12 Do you know of any:

offer, acquisition or merger with another company?

offer for more than 50% of your shares?

planned or likely public offering of your securities within the next 12 months?

new subsidiaries started or bought since you last filed an annual report and accounts?

If you have ticked any box for this question, please give full details below.

1 General information *continued*

Please only complete the questions on this page if your organisation is a charity, club or association.

Charity, club or association activities

1.13 Is your organisation a charity, club or association?

- No – please go to Section 2
- Yes – please fill in the rest of this section

1.14 Please tell us what your activities and aims are below.

1.15 Do you offer any of the following services?

- Management or supervision of children or vulnerable adults
- Financial, investment or legal advice
- Medical advice, diagnosis or treatment (excluding first aid)
- Regulation or examination and certification

If you have ticked any box for this question, please give full details of the service you offer below. Please include details of:

- the percentage of your overall income the service represents
- the people involved (including their qualifications and experience)
- any controls in place.

1.16 Do you offer any services outside of the United Kingdom?

- No
- Yes – please give full details of the service you offer below. Please include details of:
- the percentage of your overall income the service represents
 - location
 - controls in place at your head office.



2 Directors' and officers' or Trustees' liability section

Everybody must complete this section.

If you have not filed an annual report and accounts yet, please give us a copy of your latest management accounts and/or business plan.

Company and accounting policies

2.1 Are you a listed company?

No

Yes – do you comply with the 2018 UK Corporate Governance Code?

Yes

No – please give details of areas of exception.

2.2 Have you ever had to restate your financial results? (If you have only done this because of a change in accounting standards, answer No)

No

Yes – please give full details.

2.3 Has any regulatory body or auditor made any negative comments or raised any concerns in the last three years?

No

Yes – please give full details.

2.4 Have you failed to meet any debt covenants in the last 12 months, or do you expect to do so in the next 12 months?

No

Yes – please give full details.

2.5 Have you changed your external auditor in the last three years?

No

Yes – please give the reasons for change.

2 Directors' and officers' or Trustees' liability section *continued*

Please only complete the questions on this page if you need cover for claims to do with your activities in the USA.

United States of America (USA) cover

2.6 Do you need cover for claims relating to your activities in the USA?

No – please go to Section 3

Yes – please fill in the rest of the questions on this page

2.7 What is the percentage of your assets within the USA?

%

2.8 What is the percentage of your turnover from the USA?

%

2.9 Do you, or any of your subsidiaries, have any shares or debt traded in the USA?

No Yes



3 Income information for charities, clubs and associations

Please only complete this section if your organisation is a charity, club or association.

3.1 Are you a charity, club or association?

- No – please go to Section 4
 Yes – please fill in the rest of this section

3.2 Please give details of your income below.

income	last completed financial year	estimated for next 12 months
Fund raising	<input type="text"/>	<input type="text"/>
Grants	<input type="text"/>	<input type="text"/>
Investments	<input type="text"/>	<input type="text"/>
Publications	<input type="text"/>	<input type="text"/>
Fees	<input type="text"/>	<input type="text"/>
Professional services	<input type="text"/>	<input type="text"/>
Other	<input type="text"/>	<input type="text"/>
Total	<input type="text"/>	<input type="text"/>

Next 12 months

By 'next 12 months', we mean calendar months.

3.3 If you have filled in any income for 'Professional services' or 'Other' in the table above, please give details here.

3.4 Do you have any concerns about your sources of funding for the next 12 months, or has anyone else raised concerns about this?

- No
 Yes – please give full details.

3.5 Do you use any external financial advisors?

- No
 Yes – please give full details of the advisors you use, including your process for reviewing the services they provide.

Do you insist that these advisors have professional indemnity insurance?

- Yes No



4 Employment practices liability section

Please only complete this section if you need Employment practices liability cover.

4.1 Do you need Employment practices liability cover?

- No – please go to Section 5
- Yes – please fill in the rest of this section

4.2 Please list the number of employees you have in each location.

location	full time employees (including directors/trustees)	part-time employees (including seasonal and temporary trustees)
UK	<input type="text"/>	<input type="text"/>
Rest of EU	<input type="text"/>	<input type="text"/>
USA	<input type="text"/>	<input type="text"/>
Rest of world	<input type="text"/>	<input type="text"/>

4.3 How many employees (including directors) have salaries above £50,000?

4.4 How many employees have left the company in the last 12 months (either voluntarily or non-voluntarily)?

4.5 When recruiting directors or trustees, or when promoting or appointing employees or volunteers to positions of trust, which of the following measures do you have in place?

- a process to ensure their suitability for that position
- reference checks into their employment history

If you have not ticked both boxes for this question, please give full details of the controls you have in place below.

Positions of trust

By 'positions of trust', we mean positions that involve handling:

- stock
- money
- financial or treasury functions
- other business critical functions

4 Employment practices liability section *continued*

4.6 Have you made any redundancies in the last six months?

No

Yes – please give full details including any external advice that you received

4.7 Do you plan to make any redundancies or close any operations in the next 12 months?

No

Yes – please give full details below, and confirm that you will obtain professional advice.

4.8 Do you have a separate Human Resources (HR) department responsible for all group companies?

Yes – how many people work in this department?

No – how do you deal with HR matters at group level?

4.9 Does each of your locations have an HR staff member?

Yes

No – how do you deal with HR matters in each location?

Not applicable – we only have one location

4.10 Do you have a written HR manual or similar written HR guidelines?

No

Yes

4.11 Do you have a written employee handbook or procedure manual?

No

Yes

4 Employment practices liability section *continued*

4.12 Do you issue any manuals or handbooks to all employees?

No

Yes – please tell us:

The date of the last update

 / /

How do you ensure that manuals or handbooks comply with current law?

How do you distribute manuals or handbooks to your employees (including managerial employees)?

Please confirm whether the manual or handbook has written procedures for:

Recruitment and termination

Discrimination and harassment

Disciplinary procedures (including rights of appeal)

Confidential treatment of employee information

Compliance with employment related statutes

Whistleblower or employee grievance procedures

If you have not ticked all boxes for this question, please tell us what controls you have in place to deal with these issues.

4.13 Do you insist that all employees complete a written application form before they start their employment?

No

Yes

4.14 Does your HR department review all offers of employment?

No

Yes

4 Employment practices liability section *continued*

4.15 Do you give regular HR training to all managers?

No Yes

4.16 Do you have a formal induction programme for all new directors, trustees and employees?

No Yes

4.17 Do you have regular written performance reviews for all employees?

Yes
 No – please tell us what other procedures are in place.

4.18 Does your HR department review and sign off all disciplinary action?

No Yes

4.19 Do you receive professional advice whenever you end an employee's contract of employment (including if you make them redundant)?

Yes
 No – please tell us what other procedures are in place.

4.20 Do you have a legal counsel or a legal department?

No
 Yes – please tell us when they are involved in HR issues

4.21 Do you use professional advice for HR, legal or health and safety matters?

No
 Yes – please give full details.



5 Legal liability section

Please only complete this section if you need Legal liability cover.

5.1 Do you need Legal liability cover?

- No – please go to Section 6
 Yes – please fill in the rest of this section

5.2 Do you have a written data protection policy?

- Yes
 No – please tell us what other procedures are in place.

5.3 Do you have a written health and safety policy?

- Yes
 No – please give full details.

5.4 Do you make your health and safety policy available to all employees?

- Yes
 No – please give full details.

5.5 Do you give regular health and safety updates to all employees?

- Yes
 No – please give full details.

5.6 Have you reviewed your health and safety policy in the last 12 months?

- Yes
 No – please give full details.

5.7 Have you met all internal and external health and safety requirements?

- Yes
 No – please give full details.

5 Legal liability section *continued*

5.8 Do you segregate duties – that is, other than directors, do you need two or more people to authorise all payments or goods, reconcile payroll, customer and bank account statements?

Yes

No – please tell us what other procedures are in place.

Please only complete the questions below if your organisation is a charity, club or association

Charity, club or association websites

5.9 Are you a charity, club or association?

No – please go to Section 6

Yes – please fill in the rest of this section

5.10 Do you have a website?

No – please go to Section 6

Yes – please tell us:

Is the website content regularly reviewed by an appropriately qualified person?

No

Yes

Can users access a bulletin board or chat forum from your website?

No

Yes – please give full details, including monitoring and controls in place.

Do you have policies in place to deal with complaints about the content of your website?

No

Yes



6 Crime cover

Please only complete if you need full crime cover.

Do you have:

6.1 Established formal procedures for the recruitment of all employees and assessment of their suitability?

Yes No

6.2 Procedures in place to check supporting documentation in relation to payments over £2,500?

Yes No

6.3 Procedures in place to prevent any one person from completing these functions without involvement of another Director / Employee?

a) verification of wages/salaries to ensure no fictitious or excessive payments

Yes No

b) signing cheques, documents or otherwise authorising payments above £2,500

Yes No

c) Issuing funds transfer instructions or amending funds transfer procedures

Yes No

d) taking instructions to add or amend supplier accounts or contract payment details

Yes No

e) amendment to bank account or authorised signatory details

Yes No

f) creation of customers' accounts and the verification and reconciliation of payments against those accounts

Yes No

g) reconciliation of company bank account statements

Yes No

6.4 Procedures in place to prevent fraud throughout your organisation?

Yes No

6.5 Documented details of the work procedures and security of computer operations, and is the access to your computer system gained only by authorised persons via unique individual log on and passwords which are changed regularly?

Yes No

6.6 Compliance with all aspects of data protection legislation?

Yes No

6.7 Maintenance of a high level of computer security?

Yes No

6 Crime cover continued

6.8 An annual external audit or are you exempt under the Companies Act? Yes No

6.9 Good levels of physical security including a monitored alarm system? Yes No

6.10 Monthly monitoring of management reports and budgets to examine performance and unexpected variances? Yes No

Phishing and social media fraud exposure

6.11 Do you reconcile instructions received for changes to payment details (bank/customer accounts etc.) by using your own customer/bank records to verify with your usual contacts that an instruction is genuine? Yes No

6.12 Do you respond to payment instructions from Senior Management to ensure that such instructions are valid and have come from them and not a fraudster who is posing as Senior Management? Yes No

It is important when responding to the above questions to consider what controls you have in place within your accounting functions. You must ensure that the relevant staff are aware of this growing area of risk exposure. They need to be alert to the fact that there are many fraudsters out there who are tricking companies into releasing funds into fraudulent accounts. You should always use your own records of telephone numbers and email addresses to verify instructions. Never use numbers or email addresses which appear on payment instructions.

Crime claims and losses

Have you had any losses, claims or circumstances which could have or might result in a loss or claim in relation to money or other property owned by you; under your custody or control or for which you are legally liable? Yes No

(If you have answered Yes to this question please supply details in extra information on page 17.)



7 Insurance details section

Everybody must complete this section

7.1 Do you currently have any similar insurance policy?

No

Yes – please give us full details, including the date you first started this cover

7.2 Have you or any director, officer, trustee or employee ever been refused similar insurance cover, or had special terms added to your cover? (If special terms have only been added to your cover because your organisation has grown, please answer No.)

No

Yes – please give full details

7.3 Please tick the limit of cover you require

Limit

Directors' and officers' / Trustees' liability cover

Employment practices liability cover

Legal liability cover

Crime cover

£1,000,000

£2,000,000

£3,000,000

£4,000,000

Other (specify)

7.4 In the last 5 years, have any of your directors/trustees been disqualified, left non-voluntarily or been a director/trustee of a company/organisation that has entered administration/receivership or become insolvent?

No

Yes – please give full details

7.5 In the last five years, have you or any director, officer, trustee or employee had any official or regulatory investigation?

No

Yes – please give full details.

7 Insurance details section *continued*

7.6 In the last five years, have there been any claims or investigations made against you, or against any directors, trustees, officers or employees, that this policy might have covered if it had been in force?

No

Yes – please give full details.

7.7 After full enquiry, are you or any of your directors, trustees, human resource managers, risk managers or insurance managers aware of any fact or circumstance that may lead to a claim under the proposed insurance policy?

No

Yes – please give full details.

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Before answering this question, you must ask all directors, trustees, human resource managers, risk managers or insurance managers for full information.



8 Extra information

If you have been asked to give further information in any question, but you ran out of space, please provide full details here.

If you need more room, please attach additional sheets. Add your organisation's name to each sheet, and include the number of the question you are answering.

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If you have attached any additional sheets, please write your company name on each sheet, and fill in the number of additional sheets here.

additional sheets



9 Declaration

Before signing the declaration, please read the following Data Protection Notice

If you have not given full and true answers to all questions asked on this proposal form, your insurance may not protect you in the event of a claim.

AXA Insurance UK plc is part of the AXA Group of companies which takes your privacy very seriously. For details of how we use the personal information we collect from you and your rights please view our privacy policy at www.axa.co.uk/privacy-policy.

If you do not have access to the internet please contact us and we will send you a printed copy.

Please read this declaration carefully and then sign below

- I/We understand that all relevant information, which is information that may influence AXA Insurance UK plc in the acceptance of this insurance and the terms provided, has been disclosed and recorded.
- I/We declare that all particulars given in this proposal form whether made by me/us or on my/our behalf are true and complete.
- I/We understand that if full and true answers have not been given or if all relevant information has not been disclosed that this insurance may not protect me/us in the event of a claim.
- I/We will tell you of any change to the details given before the start date of the contract.

Signature of Chairman,
Managing Director,
Trustee or equivalent

Name

Position in company

Date

Agent name and address

Postcode

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If you would like a Braille, large print or audio version, please contact your insurance adviser.

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