

## MISCELLANEOUS PROFESSIONAL INDEMNITY INSURANCE

## IMPORTANT NOTICES

The information you provide in this document and through any other documentation, either directly or through your insurance broker, will be relied upon by the insurer to decide whether or not to accept your insurance as proposed and if so, on what terms.

Every question must be answered fully, truthfully and accurately. If space is insufficient for your answer, please use additional sheets, sign and date each one and attach them to this document.

If you do not understand or if you have any questions regarding any matter in this document, including the **Important Notices**, please contact us or your insurance broker before signing the **Declaration** at the end of this document.

Unless we have confirmed in writing that temporary cover has been arranged, no insurance is in force until the risk proposed has been accepted in writing by us and you have paid or agreed to pay the premium.

## DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with an insurer you have a duty under the *Insurance Contracts Act 1984* to disclose to the insurer every matter that 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 the insurer before you renew, extend, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in ordinary course of its business, ought to already know;
- as to which compliance with your duty is waived by the insurer.

You should note that your duty continues after this Proposal Form has been completed until the policy commences.

**Non-Disclosure**

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

## CLAIMS MADE POLICY COVER

The proposed insurance is issued on a 'claims made and notified' basis. This means the policy responds to:

- claims first made against you during the policy period and notified to the insurer during that policy period, providing that you were not aware, at any time prior to the policy inception, of circumstances which would have alerted a reasonable person in your position that a claim may be made against you; and
- 'facts that might give rise to a claim against you' notified to the insurer pursuant to Section 40 (3) of the Insurance Contracts Act 1984. This Section states:  
'where the insured gave notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the contract'.

After expiry of the policy, no new claims can be made on the expired policy even though the act/error/omission giving rise to the claims may have occurred during the policy period.

If during the policy period you become aware of facts or circumstances which a reasonable person in your position would consider may give rise to a claim against you, and you fail to notify to the insurer during the policy period, the insurer may not cover you under a subsequent policy for any claim which arises from these facts or circumstances.

When completing this Proposal Form you are obliged to provide full details of all facts or circumstances of which you are aware and which a reasonable person in your position would consider may give rise to a claim.

It is important that you make proper disclosure (see Duty of Disclosure above) so that your cover under any policy issued by the insurer is not compromised.

#### UNDERINSURANCE/AVERAGE (LEGAL/DEFENCE COSTS)

The proposed insurance may provide that if a payment in excess of the limit of indemnity is made to dispose of a claim, the insurer's liability to pay defence costs incurred with their consent shall be such proportion of the total defence costs as the limit of indemnity bears to the amount paid to dispose of the claim. Where the insurer has incurred more than their share of defence costs, you must repay the additional amount to them. Alternatively, the insurer may set off that additional amount against your entitlements under the policy.

#### SURRENDER OR WAIVER OF ANY RIGHT OF CONTRIBUTION OR INDEMNITY

If another person or company is liable to compensate you or hold you harmless for part or all of any claim otherwise covered by the policy, but you agree with that person or company (either before or after the inception of the policy) that you would not seek to recover from them, we will not cover you for this.

#### RETROACTIVE COVER

The proposed insurance may be limited by a retroactive date. If so, the policy does not cover any claims or facts/ circumstances arising from any act/error/omission or conduct occurring prior to such retroactive date.

#### INTELLECTUAL PROPERTY

The proposed insurance will not cover any claim made against you for any deliberate breach/infringement of copyright, trademark, design or patent or any plagiarism or breach of confidentiality

#### AGENT OF INSURERS

This insurance is arranged and administered by Tasman Underwriting ABN 65 005 754 718 (Tasman) is a trading division of IBL Limited AFS Licence number 231203

Please note that in arranging the contract of insurance, we are acting under an authority given to us by the insurer, and we will be effecting the contract of insurance as agent of the insurer, and not as your agent.

#### PRIVACY STATEMENT

We are committed to protecting your privacy in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles (APPs), which will ensure the privacy and security of your personal information.

Our Privacy Policy explains how we collect, use, disclose and handle your personal information as well as your rights to access and correct your personal information and make a complaint for any breach of the APPs.

A copy of our Privacy Policy is located on our website at [www.tasmanunderwriting.com.au](http://www.tasmanunderwriting.com.au)  
**Please access and read this policy.** If you have any queries about how we handle your personal information or would prefer to have a copy mailed to you, please ask us. If you wish to access your file please ask us.

**GUIDE TO COMPLETION OF PROPOSAL FORM**

1. Please answer all questions leaving no blank spaces.
2. If there is insufficient space to complete your answer, please use your headed paper to continue, stating the question you are enlarging upon.
3. Please retain a copy of this form for your own records

**QUESTIONS**

1. Full/Legal Name of each Firm, Entity and/or Individual requiring this Insurance:

*Please ensure that all trading/business names, service, administration and/or nominee entities are included.*

2. Date of Commencement of your Firm:

3. a) Address(es): (include all branches):

b) Website Address:

4. Give full description of the Firm's activities:

5. Please categorise the activities of the Firm and indicate the approximate percentage of the gross income/fees this represents:

Category	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
<b>Total</b>	<b>100%</b>

6. Full names of all Partners, Principals or Directors:

Name	Qualifications	Date Obtained	Years practicing as principal	Years practice as principal of previous practice

a) If any of the above have less than 5 years practical experience in this type of occupation please provide curriculum vitae.

b) If Sole Partner, Principal or Director, is this a part-time occupation: YES  NO

*If yes, please give details of full-time occupation*

c) Is this Firm or any Partner, Principal or Director connected or associated (financially or otherwise) with any other practice, company or organisation? YES  NO

*If yes, please give details*

d) Number of staff:

Partners, Principals or Directors	
Other Professionally Qualified	
Admin/Clerical	
Trainees	
Consultants undertaking work on your behalf	
<b>Total</b>	

7. a) Please detail gross fees/income for the last **three** years and the estimated gross fees/income for the next 12 months:

	Year Ending MM/YY	Gross Fee Income Australia/New Zealand	Gross Fee Income Overseas
<b>Actual for the past 12 months</b>	/	\$	\$
<b>Actual for the prior 12 months</b>	/	\$	\$
<b>Actual for the previous 12 months</b>	/	\$	\$
<b>Estimate for the next 12 months</b>	/	\$	\$

i. If significant fluctuations in income between years please provide explanation:

*If insufficient space please continue on company letterhead and attach.*

ii. If Overseas Operations apply please list countries involved:

b) Please state date of your financial year:

8. For the purposes of calculating stamp duty payable on premium, please provide a geographical breakdown of income:

NSW	VIC	QLD	SA	WA	TAS	NT	ACT	O/S	Total
%	%	%	%	%	%	%	%	%	100 %

9. a) Please list your four largest projects that have commenced in the last five years:

START DATE	COMPLETION DATE	CONTRACT VALUE	DESCRIPTION OF PROJECT

b) Please list four typical projects that have commenced in the last five years:

START DATE	COMPLETION DATE	CONTRACT VALUE	DESCRIPTION OF PROJECT

10. Is any work Sub-Contracted:

YES  NO

If Yes, please give:

a) Brief details (on headed paper) of Sub-Contracted work.

b) Are Sub-Contractors required to carry insurance to cover such work?

YES  NO

c) What is the limit of indemnity provided by that insurance?

11. Does the Firm enter into any written agreements or operate under any published conditions of engagement or letters of appointment?

YES  NO

If Yes, please provide samples.

12. Please give the following:

a) Name of current Insurers:

b) Limit of Indemnity:

c) Excess:

d) Expiry date:

N.B. If not currently insured, please give details of the latest year that insurance was carried.

13. a) Have any claims for professional negligence, error or omission ever been made against the Firm or its predecessors in business or any of its present or former Partners, Principals or Directors?

YES  NO

b) Are any of the Partners, Principals or Directors or Employees **after enquiry** aware of any circumstance, allegations or incidents which may give rise to a claim against the Firm or its predecessors in business or any of its present or former Partners, Principals or Directors?

YES  NO

c) Has any Proposal for similar insurance made on behalf of the Firm, or its predecessors in business or any of its present or former Partners, Principals or Directors, ever been declined or has any such insurance ever been cancelled or renewal refused?

YES  NO

If Yes, to any of the above three questions give full details (on headed paper) of circumstances and amounts involved or paid.

14. What limit(s) of indemnity do you require quotation(s) for?

15. What is the maximum Excess that your Firm would be prepared to carry in respect of each claim?

(A minimum Excess may apply depending on the size of the firm and the type of work undertaken).

**DECLARATION AND AUTHORISATION**

This **Declaration** must be signed by the intending insured as the Proposer(s). If the intending insured is a Company, Partnership or other business venture or involves more than one person or entity, then the person signing this declaration must be authorised to sign on behalf of all persons / entities identified as the intending insured(s).

Before completing this document, I/We have read and understood the information herein, including the **Important Notices**.

I/We agree that this Proposal Form together with any other information supplied by me/us shall form the basis of any Contract of Insurance effected. I/We undertake to inform the insurer of any material alteration to this information occurring before the proposed insurance commences.

I/We declare that the statements and particulars contained within this Proposal Form are true and that I/We have not mis-stated or suppressed any material facts.

I/We understand that the insurer is relying on information supplied herein to decide whether or not to accept or reject this risk and that no material information has been knowingly withheld.

I/We acknowledge that by submitting this completed Proposal Form (with any other information) I/We consent that the insurer may use and disclose my/our personal information in accordance with the "Privacy Statement" at the beginning of this Proposal. This consent remains valid until I/We alter or revoke it by written notice. I/We also undertake to advise any changes to my/our personal information.

**If you are in any doubt whether a fact may affect the judgement of the insurer you should declare it, as failure to do so could invalidate the insurance.**

Signing this Proposal Form does not bind you or the insurer to complete this Contract of Insurance.

Name of Firm:

Signature of Partner/Principal or Director:

Date:     /     /