



# Professional Indemnity Insurance Proposal Form

- Answer all questions. Blanks &/or dashes, or answers 'known to underwriters or brokers' or 'N/A' are not acceptable & will delay consideration of this proposal.
- If there is insufficient room to complete a question, please attach a signed & dated addendum.
- Any documents attached to the proposal form are part of this proposal.
- Where appropriate, please tick the yes or no box which best indicates your reply.

## Your Details

### 1. Name

Full legal name of each natural person & incorporated body to be insured as well as any unincorporated business or trading names.

(a) Date(s) of Commencement.

(b) Are you registered for GST purposes? No  Yes  What is your ABN?

(c) If less than 5 years, please provide a resume of partners'/directors' prior experience.

### 2. Address

(a) Principal Address:

Telephone no.

Facsimile no.

Mobile

Email address

Website address

(b) Other Locations:

### 3. Principals' previous business (incoming):

Name of Principal      Name of Principal's previous business practice      Date Principal left that practice

### 4. Prior corporate entity:

Has the name of the person, firm or incorporated body detailed in answer to Question 1 been changed, or has any other business been purchased or has any merger or consolidation of your businesses taken place?

No  Yes  Please detail changes in chronological order.

### 5. Particulars of all Principals

| Name of Principal | Age | Qualifications | Years Practising as Principal |                            | Name of Previous Business Practices |
|-------------------|-----|----------------|-------------------------------|----------------------------|-------------------------------------|
|                   |     |                | Current Business Practices    | Previous Business Practice |                                     |
|                   |     |                |                               |                            |                                     |
|                   |     |                |                               |                            |                                     |
|                   |     |                |                               |                            |                                     |

6. Total number of:

- (a) Qualified staff – including Principals.
- (b) Other technical staff.
- (c) Non-technical staff (*including typists, receptionists, etc.*).

|  |
|--|
|  |
|  |
|  |
|  |

**Total of all staff**

7. Are you a member in good standing of a professional association or society?

- No  Yes  *Please provide full particulars (where you are an incorporated body or partnership, particulars must be given of each Principal or partner).*

### Insurance History

8. (a) Are you currently insured for professional indemnity?

- No  Yes  *Please complete the table below for the last 3 years.*

(b) If you are not, have you ever been insured for professional indemnity?

- No  Yes  *Please complete the table below for the last 3 years you were insured.*

| Name of Insurer | Period Insured | Sum Insured | Excess |
|-----------------|----------------|-------------|--------|
|                 |                |             |        |
|                 |                |             |        |
|                 |                |             |        |

9. Have you ever had a liability insurer:

- (a) Decline a proposal? No  Yes  *Please provide details on your letterhead*
- (b) Impose special terms? No  Yes  *Please provide details on your letterhead*
- (c) Decline to renew your insurance? No  Yes  *Please provide details on your letterhead*
- (d) Cancel your insurance? No  Yes  *Please provide details on your letterhead*

### Your Professional Activities

10. (a) State fully the professional services provided by your business. (Please provide copies of any brochures or other documentation which may assist CGU Professional Risks in gaining a better appreciation of the risk being proposed).

(b) Does the nature or type of the professional services now undertaken by you (or on your behalf) and described in Question 10.(a) above, differ in any respect from the nature or type of professional services provided at any time in the past by you or on your behalf? (Note: cover will not be provided for claims arising from the types of professional services which are not detailed in the policy schedule).

- No  Yes  *Please provide details of the nature and type of professional services previously provided; the dates between which they were provided and the scale of those services in annual fee income and largest contract. Please also advise why those services are no longer being provided by you.*

(c) Please:

(i) Provide clear details of the nature and type of advice given.

|  |
|--|
|  |
|--|

(ii) Categorise the activities undertaken and indicate the percentage of your total income each activity represents.

|  |   |
|--|---|
|  | % |
|  | % |
|  | % |
|  | % |

11. Are you or have you or any parent, subsidiary or other related entity either: (i) engaged in, or; (ii) have or had a controlling share of an entity engaged in:

(a) Actual construction, fabrication, erection or any form of contracting? No  Yes  *Please provide details.*

(b) Real estate development? No  Yes  *Please provide details.*

(c) The manufacture, sale or distribution of any product or process or patented production process? No  Yes  *Please provide details.*

(i) Names of the other entities involved, outlining their relationship to you.

|  |
|--|
|  |
|--|

(ii) Full details, including a description of the nature of the involvement.

|  |
|--|
|  |
|--|

### Joint Ventures

12. (a) Have you or any Principal been (or are they) a member of any Joint Venture?

No  Yes  *Please provide the following information in respect of each such Joint Venture.*

(b) Please provide the description and nature of the Joint Venture project. Additional information may be requested depending on the nature, size and type of Joint Venture.

|  |
|--|
|  |
|  |
|  |

### Overseas Work (Outside Australia/New Zealand)

13. Have you ever undertaken, or are you likely to undertake, work overseas?

No  Yes  *Please provide the following details of such work.*

| Country | Branch/Representation | Dates of Commencement/Closure | Annual Income | Type of Work |
|---------|-----------------------|-------------------------------|---------------|--------------|
|         |                       |                               |               |              |

### Miscellaneous

14. Does any one client (or group of companies) account for more than 20% of your income? If so, in respect of each such client, state the approximate percentage of your income derived from that client or group of companies. Also explain your relationship with that client and the professional services you perform for them.

|  |
|--|
|  |
|--|

## Fee Income

15. (a) Gross professional fees for the last 12 months. Include fees paid to sub-consultants appointed by you. Exclude fees collected for disbursement to consultants appointed by your client together with travelling, accommodation or similar expenses reimbursed by your clients.

 Australia \$

 Overseas \$

- (b) Estimated gross professional fees for the next 12 months.  
*Include fees paid to sub-consultants appointed by you. Exclude fees collected for disbursement to consultants appointed by your client together with travelling, accommodation or similar expenses reimbursed by your clients.*

 Australia \$

 Overseas \$

- (c) Please provide a percentage breakdown of the fee income disclosed in Question 16(a) by State or Territory.

 ACT %

 NSW %

 VIC %

 QLD %

 SA %

 WA %

 TAS %

 NT %

 Overseas %

 Total %

## Risk Management

16. (a) Are written disclaimers included with advice being given? No  Yes  *Please provide an example.*

- (b) Are verbal reports or advice always confirmed in writing?

Yes  No  *Please give details of what approximate percentage of reports have been given in the last 12 months as verbal reports only.*

 %

- (c) For Sole Traders only

What arrangements do you have to cover the business or practice during your temporary absence while away on business, leave, sick, etc?

- (d) Do you have a documented Risk Management Program (consistent with Australian Standard AS/NZS 4360:2004) which addresses your professional duty risk?

No  Yes  *Please provide a copy.*

- (e) What date was that program implemented?  /  /

- (f) Is the program independently reviewed/monitored/audited?

No  Yes  *Name of reviewer/monitor/auditor:*

- (g) When was that program last reviewed and updated to ensure that it complies with the current standards applying to your profession?  /  /

- (h) What are the highlights of the program which you have implemented to reduce/manage risk related to any breach of duty as they relate to your practice?

- (i) Is there a principal/director/partner responsible for overseeing risk management within your practice?  
*Please provide details*

## Claims and Circumstances

17. Please answer the following questions after enquiry within your organisation.

- (a) During the past 10 years has any Claim been made, or has negligence been alleged, against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals), or have any circumstances which may give rise to a claim against any of these been notified to insurers?

No  Yes  *Please give details.*

| Year Notified | Insured With | Claimant | Nature of Problem | Amount Paid and/or Outstanding |
|---------------|--------------|----------|-------------------|--------------------------------|
|               |              |          |                   |                                |
|               |              |          |                   |                                |

- (b) Are there any circumstances not already notified to insurers which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals).

No  Yes  *Please give details.*

| Name of Practice and Principal | Claimant | Nature of Problem | Estimate |
|--------------------------------|----------|-------------------|----------|
|                                |          |                   |          |
|                                |          |                   |          |

- (c) Are there any Claims against previous practices which have been identified in Questions 3 or 4 of this Proposal, which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals).

No  Yes  *Please give details.*

| Name of Practice and Principal | Claimant | Nature of Problem | Amount Paid and/or Outstanding |
|--------------------------------|----------|-------------------|--------------------------------|
|                                |          |                   |                                |
|                                |          |                   |                                |

- (d) Has any Principal or staff member ever been subject to disciplinary proceedings for professional misconduct?

No  Yes  *Please give details.*

| Name of Practice and Principal/<br>Staff member | Claimant | Nature of Problem | Amount Paid and/or Outstanding |
|---|----------|-------------------|--------------------------------|
|   |          |                   |                                |
|   |          |                   |                                |

## Cover Required

18. Please state:

(a) Amount of preferred **Total Sum Insured.** \$

(b) Amount of preferred excess. (N.B. Your policy will be subject to a minimum excess.) \$

## Retroactive Cover

19. Do you require retroactive cover which may be subject to additional premium?

*Retroactive cover extends cover under the Policy to liability arising from work carried out prior to the inception of the Policy to which this Proposal relates. There will be no cover for Claims arising from a Known Circumstance as at Policy inception.*

No  Yes  *Please state date from which retroactive cover is required:*

## Optional Extensions - Entity Cover - Employment Practices Liability

20. Do you require Employment Practices Liability cover, subject to additional premium?

No  Yes  A further addendum will need to be completed. Please request a copy of this form.

### Declaration

I/We hereby declare that:

My/Our attention has been drawn to the Important Notice accompanying this Proposal form and further I/we have read these notices carefully and acknowledge my/our understanding of their content by my/our signature/s below.

The above statements are true, and I/we have not suppressed or mis-stated any facts and should any information given by me/us alter between the date of this Proposal form and the inception date of the insurance to which this Proposal relates I/we shall give immediately notice thereof.

I/We authorize CGU Professional Risks to collect or disclose any personal information relating to this insurance to/from any other insurers or insurance reference service. Where I/we have provided information about another individual (for example, an employee, or client), I/we declare that the individual has been or will be made aware of that fact and the section in the Policy on "The way we handle your personal information".

I/We also confirm that the undersigned is/are authorised to act for and on behalf of all persons who may be entitled to indemnity under any policy which may be issued pursuant to this Proposal form and I/we complete this Proposal form on their behalf.

To be signed by the Chairman/President/Managing Partner/Managing Director/Principal of the association/partnership/company/practice/business.

Signature

Date

Signature

Date





It is important the signatory/signatories to the Declaration is/are fully aware of the scope of this insurance so that all questions can be answered. If in doubt, please contact your insurance broker since non-disclosure may affect an Insured's right of recovery under the policy or lead to it being avoided.

### Insurance Broker's Details

Broker Name

Account Number

Address

Postcode

Phone

Fax

Contact Name

#### Adelaide

80 Flinders Street Adelaide SA 5000  
Tel (08) 8425 6650 Fax (08) 8425 6592

#### Brisbane

189 Grey Street South Bank QLD 4101  
Tel (07) 3135 1566 Fax (07) 3135 1564

#### Melbourne

181 William Street Melbourne VIC 3000  
Tel (03) 9601 8700 Fax (03) 9602 5255

#### Perth

46 Colin Street West Perth WA 6005  
Tel (08) 9254 3750 Fax (08) 9254 3751

#### Sydney

388 George Street Sydney NSW 2000  
Tel (02) 8224 4655 Fax (02) 8224 4030

#### Website:

[www.cgu.com.au/professionallrisks](http://www.cgu.com.au/professionallrisks)



# An Important Notice to the Applicant 'Claims Made' Contracts of Insurance

Please read and retain in your file

The proposed insurance is issued on a 'claims made' basis.

This means that the policy responds to:

1. claims first made against the insured during the policy period and notified to CGU Professional Risks during that policy period, providing that the insured was not aware, at any time prior to the policy inception, of circumstances which would have alerted a reasonable person in the insured's position that a claim may be made against the insured; and
2. 'claims circumstances' notified pursuant to Section 40 (3) of the *Insurance Contracts Act* which 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 insurance cover provided by the contract'.*

After policy expiry, no new claims can be made on the expired policy *even though the event giving rise to the claim may have occurred during the policy period.*

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

When completing the proposal you are obliged to report and provide full details of all 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**, below) so that your cover under any new policy with us is not compromised.

Pursuant to the *Insurance Contracts Act* your duty to disclose all relevant information is set out below.

## **Duty of Disclosure**

Before entering into a contract of general insurance, you have a duty, under the *Insurance Contracts Act*, to disclose to us every matter that you are aware of, or could reasonably be expected to be aware of, that is relevant to our decision about insuring you and if so, on what terms. You have the same duty to disclose these matters to us before you renew, extend, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of matter -

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

You should note that your duty continues after the proposal form has been completed until the policy is entered into, i.e. until the date we receive instructions to bind cover.

### **Non-disclosure**

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning. It is therefore vital that you enquire of all entities comprising the insured, including senior staff, before completing the proposal form and before you sign any declaration confirming no change in the information disclosed.

### **Retroactive Liability**

The proposed insurance may be limited by a retroactive date either stated in the schedule or endorsed onto the policy. Where the retroactive cover provided by the proposed policy is subject to such a date, then the policy does not cover any claim arising from actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

### **Average Provision**

One of the insuring provisions of the proposed insurance may provide that where the amount required to dispose of a claim exceeds the limit of the sum insured in the policy then CGU Professional Risks shall be liable only for a proportion of the total costs and expenses. This shall be the same proportion of the total expenses as the policy limit bears to the total amount required to dispose of the claim.

### **Surrender of 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 loss or damage otherwise covered by our policy, but you agree with that person or company (either before or after the inception of our policy) that you would not seek to recover any loss or damage from them, we will not cover you for this loss or damage.

#### **Adelaide**

80 Flinders Street Adelaide SA 5000  
Tel (08) 8425 6650 Fax (08) 8425 6592

#### **Brisbane**

189 Grey Street South Bank QLD 4101  
Tel (07) 3135 1566 Fax (07) 3135 1564

#### **Melbourne**

181 William Street Melbourne VIC 3000  
Tel (03) 9601 8700 Fax (03) 9602 5255

#### **Perth**

46 Colin Street West Perth WA 6005  
Tel (08) 9254 3750 Fax (08) 9254 3751

#### **Sydney**

388 George Street Sydney NSW 2000  
Tel (02) 8224 4655 Fax (02) 8224 4030

#### **Website:**

[www.cgu.com.au/professionallrisks](http://www.cgu.com.au/professionallrisks)