

Civil Liability Professional Indemnity Insurance Proposal Form





Important Notice

Claims Made Insurance

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

- acts, errors or omissions that occurred prior to the retroactive date (if one is specified) in the policy;
- any claim made, threatened or intimated against you prior to the commencement of the policy period;
- any claim or fact that might give rise to a claim, reported or which can be reported to an insurer under any insurance policy entered into before the commencement of the policy period;
- any claim or fact that might give rise to a claim, noted in this proposal or any previous proposal;
- any claim arising out of any fact you are aware of before the commencement of the policy period;
- any claim made against you after the expiry of the policy period.

However, the effect of Section 40(3) of the Insurance Contracts Act 1984 (Cth) is that where you become aware, and notify us in writing as soon as is reasonably practicable after first becoming aware but within the policy period, of any facts which might give rise to a claim against you, any claim which does arise out of such facts shall be deemed to have been made during the policy period, notwithstanding that the claim was made against you after the expiry of the policy period.

Your 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 (Cth), 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 matter:

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

Non Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce their 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.

Privacy Notice

Liberty International Underwriters (LIU) is a trading name of Liberty Mutual Insurance Company, which is a company incorporated in the United States. It is a member of Boston-based Liberty Mutual Group (LMG). LIU Australia's head office contact details are:

Address: Locked Bag 18, Royal Exchange NSW 1225, Australia
Phone: +61 2 8298 5800

LIU is bound by the Privacy Act 1988 (Cth) and its associated Australian Privacy Principles when it collects and handles your personal information.

LIU collects personal information, including from insurance brokers, in order to provide its services and products, manage claims and for purposes ancillary to its business. LIU passes it to third parties involved in this process such as LIU's related companies, reinsurers, agents, loss adjusters and other service providers. We may store your information with third party cloud or other types of networked or electronic storage providers. Third parties may be located locally or overseas in the United States, Canada, United Kingdom, Singapore, Hong Kong and Malaysia. Your information may be transferred to countries without comparable privacy laws if it is reasonably necessary to provide you with the products or services you seek from LIU. If you do not provide the personal information LIU or other relevant third parties require to offer you specific products or services, LIU may not be able to provide the appropriate type or level of service.

If you wish to gain access to or correct your personal information, make a privacy complaint, or if you have any query about how LIU collects or handles your personal information please write to LIU's Privacy Officer at the address above or by emailing: privacy.officer.ap@libertyiu.com. To obtain a copy of LIU's Privacy Policy go to LIU's website (www.liuaustralia.com.au) or request a copy from LIU's Privacy Officer.

When you give LIU personal or sensitive information about other individuals, LIU relies on you to provide its Privacy Notice to them. If you have not done this, you must tell LIU before you provide the relevant data.



Professional Indemnity Insurance

Important: Please answer all questions fully. All questions will be deemed to be answered in respect of all entities & persons to be insured under this policy. If the space provided is insufficient please include attachments on your company letterhead.

Details of the Proposer

1. Please state the full name of all entities (including any subsidiaries) and persons to be insured (collectively referred to in this form as the "Proposer")

2. Address of the principal office (please provide a street address only)

Street

City

State

Country

Postcode

3. Address of any branch offices

4. Contact details

Name

Telephone

Email

5. Company details

Registered company name

Country of registration

Date or year established

ABN

Website address

6. Has the Proposer been involved in a merger or acquisition over the last 10 years?

Yes

No

If "Yes", please provide details.



Professional Indemnity Insurance

7. Has the Proposer ever traded under another name? Yes No
If "Yes", please provide details.

8. Please advise the number of staff in the following categories:

Partners or directors

Professional / technical staff

Administration / support staff

Other staff (please specify)

Total

9. **Attach** the CV of each partner or director.

10. Please list any current memberships of professional associations held by the Proposer.

Nature of Business

11. Please describe in detail the nature of the business and professional services provided by the Proposer.

Financial Information

12. Actual & estimated fee income:

Location	Last Financial Year	Current Financial Year	Next Financial Year
Australia & New Zealand	\$	\$	\$
USA & Canada	\$	\$	\$
Other	\$	\$	\$
Total	\$	\$	\$

13. Does any one client represent 25% or more of the Proposer's fee income? Yes No

If "Yes", please provide details.

14. If activities are performed outside Australia, please list the country and the services / products provided there:

Country	Services / Products
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Please be aware: With effect from 1 January 2018, unless LIU or its agents receive a Small Business Declaration from you, at the time of entering into the contract of insurance, LIU will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.

15. Please provide a breakdown of the Proposer's income generated in the last financial year as follows:

ACT	%	NSW	%	NT	%
QLD	%	SA	%	TAS	%
VIC	%	WA	%	Overseas	%

16. Does the Proposer engage sub-contractors to provide any professional services? Yes No

If "Yes",

a) What percentage of professional services is provided by sub-contractors? %

b) Specify professional services sub-contracted

c) Is proof of current professional indemnity insurance obtained from sub-contractors? Yes No



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17. Has the Proposer ever been involved in any form of joint venture? Yes No

If "Yes", please provide details.

18. Has there been any substantial change in the business or professional activities of the Proposer in the last 2 years? Yes No

If "Yes", please provide details.

19. Does the Proposer envisage any change in the business or professional activities, or the commencement of any new activity during the next 12 months? Yes No

If "Yes", please provide details.

20. Are there any business or professional activities which are no longer conducted by the Proposer (or by any previous company name used by the Proposer)? Yes No

If "Yes", please provide details including fee income derived therefrom, the period such activity was conducted and the reason for its discontinuation.



Contracts

21. Please list the 5 largest contracts the Proposer has entered into over the last 5 years.

Client	Contract Period	Revenue	Services Provided
	From:		
	To:		
	From:		
	To:		
	From:		
	To:		
	From:		
	To:		
	From:		
	To:		

22. What is the average value of the Proposer's contract? \$

23. Are standard forms of contract or terms of engagement always used by the Proposer? Yes No

If "Yes", please **attach** copies of those contracts and describe the procedure to alter such standard form of contract or terms engagement?

If "No", please provide details of the basis of engagement used by the Proposer:

24. Does the Proposer limit its liability in contracts with clients? Yes No

If "Yes", how does the Proposer limit their liability?

25. Does the Proposer ever sign contracts where liability is accepted for consequential losses? Yes No

If "Yes", in what circumstances?



Professional Indemnity Insurance

26. Who must approve any variations in the Proposer's standard contracts?

27. Are all non-standard contracts legally reviewed prior to signing? Yes No

If "No", who reviews them?

28. Does the Proposer ever agree to hold harmless any third party for claims arising out of its products or services? Yes No

If "Yes", please provide details.

29. Does the Proposer ever enter contracts with other parties that limit the other parties' liability? (other parties include clients, subcontractors and joint venture partners) Yes No

If "Yes", in what circumstances and what are the limitation amounts?

30. Does the Proposer ever agree to contract out of the provisions of the operation of proportionate liability legislation? e.g. Civil Liability Act. Yes No

If "Yes", please provide details.

31. Are the scope of Professional Services to be performed always clearly set out in the contract or terms of engagement? Yes No

If "No", please explain how this is agreed.

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32. Has the Proposer experienced any difficulties with cash flow, given consideration to potential insolvency or administration, or is there any reason to believe that the Proposer may experience financial distress during the term of the policy period?

Yes No

If "Yes", please provide details

Risk Management

33. Does the Proposer hold ISO or any other third party accreditation for the risk management procedures utilised?

Yes No

If "Yes", which accreditation is held and when was this accreditation obtained?

How often is it reviewed and by whom is it reviewed?

34. Are verbal reports or advice always confirmed in writing?

Yes No

If "No", how are they substantiated?

35. Is legal counsel an in-house function?

Yes No

If "No", who provides this service?

36. Describe **by attachment** the formal procedures in place relating to the following:

- a) Risk management, quality control and / or compliance programmes.
- b) The engagement of consultants, sub-contractors or agents.
- c) The identification and reporting of incidents or facts which might give rise to a professional liability claim.
- d) Peer review process and requirements for dual sign-off or approval in respect of any aspect of the business or professional services provided by the Proposer.



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- e) The evaluation and approval of new clients, contracts and tenders.
- f) Identification and management of conflict of interest.
- g) When were the above procedures established, how regularly they are reviewed and whom they are reviewed by?

If such procedures are not in place, please advise how these exposures are managed.

37. If any branch offices are noted in Question 3, please advise:

- a) Partner or director in charge.
- b) Are they domiciled at that location? Yes No
- c) How does the Proposer ensure compliance by Branch Offices with corporate policies & procedures?

Claims History

Please Note: It is critical that you make appropriate enquires of all persons intending to be insured under this insurance before you answer Questions 37 – 39.

38. Has any partner, director or employee of the Proposer ever been subject to any inquiry or disciplinary proceedings? Yes No

If "Yes", please provide details.

39. Has a professional liability claim ever been made against the Proposer (or any previous company name used by the Proposer), or any past or present partner, director or employee of the Proposer? Yes No

If "Yes", please provide details of matter, claimant, current status, amounts paid and reserve amounts.



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40. Is the Proposer including any of its partners, directors or employees aware of any facts which might give rise to a professional liability claim against any of them?

Yes No

If "Yes", please provide details.

Insurance History

41. Have any special terms or conditions ever been imposed on any insurance policy held by the Proposer?

Yes No

If "Yes", please provide details.

42. Has the Proposer ever had any entitlement to indemnity under any insurance policy denied, or otherwise affected due to non-disclosure, misrepresentation or breach of a policy provision?

Yes No

If "Yes", please provide details.

43. Has any insurer ever refused to provide terms or offer renewal terms to the Proposer or has any insurance held by the Proposer ever been avoided or cancelled by an insurer?

Yes No

If "Yes", please provide details.



Professional Indemnity Insurance

44. (a) Does the Proposer currently hold a Professional Indemnity policy? Yes No

If "Yes", please advise the following:

Insurer

Expiry Date

Sum Insured

Retroactive date

Excess

(b) If "No" has the Proposer ever held Professional Indemnity Insurance?

Please provide details.

Limit of Liability

Please specify the options for Limits of Liability and Excess you would like quotations for.

45. Limit of Liability:

a) \$

b) \$

c) \$

46. Excess:

a) \$

b) \$

c) \$

Optional Extensions

Please Note: If you request any of these extensions, Liberty is not obliged to offer them. If Liberty decides to offer any of these extensions it may charge an additional premium. The below are descriptions of the cover only. To fully understand the cover provided by these extensions you must read the relevant clause in the policy wording and/or seek advice from your insurance adviser.

47. **Contractual Liability**

Would you like the policy to be extended to provide cover for claims under an indemnity and/or hold harmless term of a client contract (to the extent that such civil liability results from your performance of professional services?

Yes

No



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48. Proportionate Liability

Would you like the policy to be extended to provide cover for liability you have assumed under a contract by reason of having contracted out of the operation of proportionate liability legislation? For example the Civil Liability Act.

Yes

No

49. Reinstatement

Would you like the policy to be extended so that in the event the limit of liability is exhausted, it is then reinstated once to cover future unrelated claims?

Yes

No



Declaration

(To be signed by a partner or director.)

I, the undersigned, declare and acknowledge:

- that I am, after enquiry, authorised by all person(s) or entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, I am obliged to inform Liberty International Underwriters of any changes to any information supplied or of any new information that is relevant;
- that I understand Liberty International Underwriters relies on the accuracy of the information and documentation supplied proposing for this insurance;
- that I have read and understood the Important Notices which form part of this proposal;
- that I understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty International Underwriters, if any;

- that the proposed Insured is a small business with a turnover of less than AU\$2 million in the last financial year. Note that if No is selected or this question is left blank, LIU will charge stamp duty on risks that 1) occur within or partly within NSW or 2) cover NSW property.

Yes

No

Signed

Print Name

Title

Dated

Have you Remembered to Attach the Following?

- | | |
|-------------|---|
| Question 9 | The CV of each partner or director |
| Question 23 | A copy of the standard contract or terms of engagement used |
| Question 36 | A description of the risk management procedures |

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