

PROFESSIONAL INDEMNITY INSURANCE

Miscellaneous Proposal Form



CBC
PARTNERSHIP

Professional Indemnity Insurance Miscellaneous Proposal Form

IMPORTANT NOTES

Presentation

The proposal form is a representation of your business. Ensure that it is neatly and fully completed with **ALL** questions answered. Where there is insufficient space available, please use clearly marked appendices, indicating which questions they refer to and provide a covering letter or supplementary sheet providing full details of the responses.

A website, brochure or overview of the services you provide will assist underwriters.

Claims Made

A Professional Indemnity policy is arranged on a “**claims made**” basis which means that cover must be in force at the time you first become aware of a claim or circumstances which may lead to a claim. Notification must be given at that time. It is that policy which will respond to any subsequent claim - even if the claim develops years later and/or arises out of activities performed prior to its inception. It is essential that full enquiry and discussion take place between all partners/directors and senior staff before any answers are given. If you are in any doubt as to what may constitute a material circumstance, please disclose the information – too much information is preferable to too little, and the consequences thereof.

New start-ups: Please use estimated values for fees, work breakdown etc. Please also provide a current CV or full summary of relevant qualifications and experience.

Insurance Act 2015 - Proposal Forms for non-consumer contracts - Duty of fair presentation

1. Before this insurance contract is entered into, the Insured must make a fair presentation of the risk to the Insurer, in accordance with Section 3 of the Insurance Act 2015. In summary, the Insured must:

a) Disclose to the Insurer every material circumstance which the Insured knows or ought to know.

Failing that, the Insured must give the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium);

b) Make the disclosure in clause (1)(a) above in a reasonably clear and accessible way; and

c) Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith.

2. For the purposes of clause (1)(a) above, the Insured is expected to know the following: a) If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance.

b) If the Insured is not an individual, what is known to anybody who is part of the Insured's senior management; or anybody who is responsible for arranging the Insured's insurance.

c) Whether the Insured is an individual or not, what should reasonably have been revealed by a reasonable search of information available to the Insured. The information may be held within the Insured's organisation, or by any third party (including but not limited to subsidiaries, affiliates, the broker, or any other person who will be covered under the insurance). If the Insured is insuring subsidiaries, affiliates or other parties, the Insurer expects that the Insured will have included them in its enquiries, and that the Insured will inform the Insurer if it has not done so. The reasonable search may be conducted by making enquiries or by any other means.

A copy of the proposal should be retained by you for your own records.

Section 1: Name and Address Details

a) Name of Firm, Company or Individual (please list all names under which you practice):

Main Office Address:

Telephone Number:

Email Address:

Website:

Postcode:

Number of Branch Offices:

Date Established:

Please list on a separate sheet the full address and details of all branch offices that require cover.

b) Is cover required for anything other than work undertaken by the above firm(s)? This may include a predecessor in business or liability of one of your partners or principals relating to work undertaken elsewhere. YES NO

If 'YES', please provide details:

c) Please state business / Profession to be Insured:

Section 2: Staff Details and Address Details

a) Please list below your details if you are a sole trader or those of the Principals / Partners / Directors of the company:

Name of all Principal / Partner / Director	Date of Birth	Qualifications	Years in the Industry	How long as Principal / Partner / Director of the company

Please provide a C.V. outlining all relevant experience where any person(s) noted above have been working in the industry for less than 5 years

b) Please advise total number of staff excluding Principals / Partners / Directors:

Staff with 5 years or more experience in the business undertaken

All other staff

Sole practitioners only:

c) What arrangements do you make when you are unable to attend your business?

d) Is the Company/Firm or any Principal / Partner / Director a member of any Professional association / trade body or regulated by a governing body? YES NO

If 'YES', please provide details:

Section 3: Sub-Contractors

a) Does the Company/Firm engage or intend engaging in the future any external sub consultants / sub-contractors? YES NO

If 'YES', please provide details of the work they carry out:

b) What percentage of fees are paid to them?

 %

c) Do you ensure they hold their own professional indemnity insurance? YES NO

If 'YES', to what level?

 \$

Section 4: Associated Companies

a) Does the Company/Firm or any Principal / Partner / Director act on behalf of or undertake work for any other firm, company or organisation in which the Company / Firm or any Principal / Partner / Director has a financial interest? YES NO

b) Does any other firm, company or organisation have a financial interest in the Company / Firm? YES NO

c) Is cover required under this insurance for this work? YES NO

If 'YES' to a), b) or c) give details of work carried out for and fees earned from the company/firm or organisation:

- d) Do you operate under any formal terms of engagement with the company / firm / organisation in a) or b) above? YES NO

If 'YES' please attach a copy of any formal terms of engagement to this Proposal.

If you do not use any formal terms of engagement, please provide details of the arrangements you operate under:

Section 5: Income

- a) Please give your Gross Fee / Commission Income for the last five years and estimate for the current year:

	Last Completed Financial Year	Y - 1	Y - 2	Y - 3	Y - 4	Estimate for the Current Year
Australia Work						
New Zealand Work						
UK/Europe						
USA/Canada						
Other/Overseas						

- b) Please confirm your financial year end:

- c) Within the past three years what is the approximate average fee you have received?

- d) Within the past three years what is the largest fee you have received?

Section 6: Business Activities

- a) Please provide a detailed description of your business activity. If you have a company brochure please attach a copy:

- b) Do you use standard conditions of engagement / contract? YES NO

If 'YES' please attach copy. If 'NO', provide details of the arrangements you operate under:

c) Please give details of what you regard as your speciality within your area of work:

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d) Please provide a percentage split of the Company/Firm’s professional activities undertaken based on the Gross Fee / Commission Income received in the Last Completed Financial Year. If a new start up please provide an estimate for the forthcoming 12 months:

	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
	%
TOTAL	100%

e) Give details of the three largest contracts commenced during the past three years:

Start / End Date	Client Name and Nature of Business	Nature of Contract / Services Provided	Contract Value	Fees Earned

f) Give details of the three largest contracts you have lined up for the forthcoming year:

Start / End Date	Client Name and Nature of Business	Nature of Contract / Services Provided	Contract Value	Fees Earned

Section 7: Risk Management

a) Does the Company/Firm operate any internal Quality Assurance systems? YES NO

If 'YES', please give details:

b) Does the Company/Firm always obtain satisfactory written references direct from former employers for the three years immediately preceding the engagement of any Employee, Director, Partner, Member or Principal responsible for money accounts or goods? YES NO

c) Has the Company/Firm suffered any loss or identified any potential loss during the past five years through fraud or dishonesty of any Employee, Principal, Partners or Director? YES NO

If 'YES', state date, circumstances, amount and steps taken to prevent recurrence:

d) Do all cheques drawn for more than \$25,000 require two signatures? YES NO

e) Is cash in hand and petty cash checked independently of the employees responsible? YES NO

(i) At least monthly? YES NO

(ii) Additionally, without warning at least every six months? YES NO

f) Are bank statements, receipts, counterfoils and supporting documents checked at least monthly against the cashbook entries independently of the employees making cash book entries or paying into the bank? YES NO

g) Please confirm that your Annual Accounts have been prepared and/or certified by an independent Accountant or Auditor? YES NO

- h) Please confirm that the responsibilities for Authorisation of Transactions, Processing of Transactions and Completing Transactions will be carried out by entirely separate Employees / Principals / Partners / Directors? YES NO
- i) Has any Insurer even declined a claim, imposed any or have you ever had a Professional Indemnity Policy cancelled? YES NO

If 'YES', please provide details:

Section 8: Claims History

- a) Has any claim been made against the business or an employee of the business or any Principal / Partner / Director or Consultant or their predecessors in business during the last ten years in respect of the type of liabilities to which this proposal relates? YES NO

If 'YES', please give details below or continue on a separate sheet if required

Date of Claim	Brief Details	Amount of Claims Paid	Reserves Outstanding

- b) Has any action been taken to prevent a recurrence of a claim? YES NO

If 'YES', please provide details:

- c) After enquiry, are any of the business Principals / Partners / Directors aware of any claim pending or any circumstance which might give rise to a claim against the business or any of the present or previous Principals / Partners / Directors of the Business? YES NO

If 'YES', please provide details:

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Section 9: Stamp Duty

For the purposes of calculating the stamp duty to be paid for the policy, please provide the approximate percentage of the Applicant's activities (based on Gross Income/Fees) applicable to each State, Territory and Overseas.
[TOTAL must equal 100%]

NSW	VIC	WA	TAS	QLD	SA	ACT	NT	Overseas	Total

Section 10: Insurance Details and Requirements

Please leave blank if already a client of CBC.

- a) Please give details of the firm's current Professional Indemnity Insurance:

Renewal Date:	
Limit of Indemnity:	Any One Claim / Aggregate (please advise)
Excess: (please state all that apply)	
Premium:	
Insurer:	
Broker:	

- b) Please advise your Insurance requirements:

	Option 1	Option 2	Option 3
Limit of Indemnity:			
Excess:			

Section 11: Declaration

I/we declare that I/we have made a fair presentation of the risk, by disclosing all material matters which I/we know or ought to know or, failing that, by giving the Insurer sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances.

I/We undertake to inform you before any contract of insurance is concluded, if there is any material change to the information already provided or any new fact or matter arises which may be relevant to the consideration of our proposal for insurance.

This proposal form must be signed by a Principal of the Firm

Print Name:	Signature:
Position:	Date:

A copy of the proposal should be retained by you for your own records.

Completing and signing this proposal **does not** bind the proposers or insurers to a contract of insurance.



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