



# Professional Indemnity Proposal

## IMPORTANT NOTICES

### Your Duty Of Disclosure

This Policy is subject to the Insurance Contracts Act 1984. Under that Act you have a duty of disclosure.

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms. You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- Reduces the risk we insure you for; or
- Is common knowledge; or
- We know or should know as an insurer; or
- We waive your duty to tell us about.

**If you do not tell us something:** If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both. If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

If you are not sure whether something is relevant, it's advisable that you inform us anyway

### Don't Prevent Our Right of Recovery

This policy contains a provision which states that if you surrender your right to seek recovery from another party for a loss covered by the policy, we have a right to reject any claim from you in relation to that loss.

### We Are An Agent

Sterling Insurance Pty Limited (Sterling) is an authorised agent for the underwriters (i.e. insurers), for the purpose of entering into contracts of insurance with intending insured parties and for the dealing with and settling of claims thereunder. At no time do we act in the capacity of agent for the insured or intending insured parties, in either capacity or any other capacity.

### Insufficient Space in this Proposal Form

If there is insufficient space in this proposal form for you to fully answer any questions or provide the requested information, please attach a page with the additional information.

### Sanctions

We are bound by legislation which over-rides the policy when it involves any individual, organization and/or country listed in a sanctions list as generated by Australia, United States of America (USA), European Union (EU), and United Kingdom (UK).

Consequently, all your operations are required to comply with all applicable sanctions legislation.

### Reasonable Care

You must take reasonable precautions to prevent injury and/or damage to third party property, prevent the manufacture and/or sale and/or supply of defective products, comply with all statutory obligations, by-laws or regulations imposed by any public authority for the safety of persons or property. The same requirement applies to all your workers, servants and agents.

### Privacy Notice

We are bound by the Privacy Act and its associated Australian Privacy Principles (APP's) when we collect and handle your personal information.

We collect personal information in order to provide our services and products. We also pass it to third parties involved in this process such as our reinsurers, agents, loss adjusters and other service providers.

You can seek access to and if necessary, correct your personal information by contacting our Privacy Officer.

When you give us personal or sensitive information about other individuals, we rely on you to have made or make them aware that you will or may provide their information to us, the purposes we use it for, the types of third parties that we disclose it to and how they can access it. If it is sensitive information we rely on you to have obtained their consent on these matters. If you have not done either of these things, you must tell us before you provide the relevant information.

### Sydney

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Ph: 02 9950 4000  
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### Sterling Insurance Pty Limited

ABN: 12 084 296 168, AFSL: 237880

[www.sterlinginsurance.com.au](http://www.sterlinginsurance.com.au)

### Claims Made Notice

The Professional Indemnity policy is a 'claims made' cover. This means that the policy covers you for claims first made against you during the period of insurance and notified to the underwriter during such period of insurance.

This extension does not provide cover in relation to:

- Events which occurred prior to the period of insurance or such earlier retroactive date as may be stipulated in the schedule;
- Claims made against you after the expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance;
- Claims where the possibility of the claim was intimated in any way prior to the commencement of the period of insurance;
- Claims arising from or attributable to any facts, circumstances or occurrences noted on the proposal for the current period of insurance or on any previous proposal or of which notice had been given under any previous policy;
- Claims arising from or attributable to any facts, circumstances or occurrences of which you were aware and knew (or ought reasonably to have realised) prior to the commencement of the period of insurance may give rise to a claim.

As explained above, the policy, by its terms, does not provide cover for claims made after the expiry of the period of insurance provided by the policy.

Section 40(3) of the Insurance Contracts Act 1984 however provides that an underwriter is not relieved from liability under a contract of insurance in respect of a claim by reason only that the claim was made after the expiry of the period of insurance cover provided by the contract where the insured has given notice in writing to the underwriter:

- of the 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, and
- before the expiry of the period of insurance.

It is therefore important that you advise us of any circumstances that could result in a claim during the period of insurance to protect your position in case the circumstances develop into a claim after the expiry of the period of insurance.

### Completing This Form

This Proposal must be completed in ink by a Partner or Director of the Firm. All questions must be answered to enable a quotation to be given. The completion and signature of this Proposal does not bind the Proposers or Underwriters to complete a Contract of Insurance. If there is insufficient space to answer questions, please use the back page of the form.

## 1. THE INSURED (i.e. You)

- a) Full name/s of proposed Insured including subsidiaries.

\_\_\_\_\_ **Company Name(s) &/or Individuals** \_\_\_\_\_ **A.B.N.** \_\_\_\_\_ **I.T.C.%**

- b) Head office street address:

- c) Head office postal address:

- d) Please list the street addresses for all your branches:

## 2. PERIOD OF INSURANCE

From:            /            /            at 4pm\*    To:            /            /            at 4pm\*    \* denotes Local Standard Time.

### 3. YOUR BUSINESS ACTIVITIES

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a) Please provide a **detailed description** of your professional business activities to be covered by this insurance policy:

b) Please provide **specific details of the advice or design** you give to your clients?

c) Are written disclaimers included with your advice or design given? YES NO  
If "YES", please attach a copy(ies).

d) Are verbal reports or advice always confirmed in writing? YES NO  
If "NO", please explain why.

**If your professional business activities include: Occupational Health & Safety; Environmental consulting; Real Estate agent; Valuations; Building Surveying/Inspecting; Accounting or Financial Advising; Engineering; or Design & Construct, then an applicable ADDENDUM must also be completed & attached.**

e) To ensure competitive rating, please categorise your activities outlined above and state the percentage of the gross fees for each category. **(An answer is not required if the applicable ADDENDUM is completed & attached)**

f) i. Date of Commencement of current business / Practice(s) / Firm(s): / /  
ii. Has the name of the business ever changed? YES NO  
iii. Has any other business or practice amalgamated or merged with you? YES NO  
iv. Have you purchased any other business or practice? YES NO  
If "YES", to any of the above please provide full details:

g) Please state your website address: www.

h) Are you a member of any professional association or society? YES NO  
If "YES", please provide the name of the association/society and number of years of membership.

- i) Please complete the following table and attach summary C.V.'s of your key personnel who are involved with professional business activities to third parties:

Names of all Principals and (if applicable) relevant staff who provide professional business activities	Qualifications	Date & Place Acquired	How long have they been in the firm?	If less than 5 years practical experience in this occupation, please give details of previous occupations

**NOTE: If you currently do not have Professional Indemnity insurance or your business is less than two years old, summary C.V.'s of your key personnel are required for a quote.**

- j) Do you issue any promotional material about your business (e.g. company profile, capability statement, etc.)? YES NO

If "YES", please attach copies.

- k) Please state the total number of:
- Principals (i.e. Owners, Partners, Directors)
  - Qualified staff \* - **other than** Principals
  - Other staff (but excluding Administrative staff):
  - Administrative staff (e.g. secretarial, filing, etc )
- v. TOTAL**

\*denotes a person will be properly qualified if they possess appropriate professional qualifications from a recognized body relevant to that professional activity

- l) Please state the:

- Amount of your Gross Professional Fee income during the:
    - Last financial year or past 12 months \$
    - Previous financial year \$
    - Current financial year (budgeted figure) \$
  - Date of financial year end / /
  - Largest annual fee from any one client \$
  - Fee income for work outside Australia \$
- For work performed outside Australia, please list the countries, approximate Fee income per country and advise specific professional activities undertaken:

- m) Please provide an approximate breakdown of your Fee income over the last 12 months by State/Territory & Overseas.

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

- n) Please detail your five largest projects/contracts/clients over the last 3 years:

Contract or Client Name	Your Fee (\$)	Your Contract Value (\$)	Completion Date of Contract	Main Professional Service You Provided
			/ /	
			/ /	
			/ /	
			/ /	
			/ /	

- o) Does any one client (or group of companies) account for more than 50% of your annual Gross Professional Fee income? YES NO

If "YES", please state the approximate percentage of your annual Gross Professional Fee income and the details of the professional business activities given.

- p) Are you connected &/or associated with (financially or otherwise) any other Firm(s), Partnership(s), Joint Venture or organization? YES NO

If "YES", please provide full details including the name of the other Firm, Partnership &/or Organization.

- q) Do you anticipate any major changes to your business in the forthcoming 12 months? YES NO

If "YES", please outline the proposed changes.

- r) Are you involved in any process of manufacture, construction, alteration, repair, installation or sale or supply of products, other than in a pure consultancy capacity? YES NO

If "YES", please advise details about such work **and complete our REVENUE DECLARATION form.**

- s) Do you engage any contractor/sub-contractors? YES NO
- If "YES", please advise the following details:
- i. Do you require all contractors/sub-contractors to carry their own Professional Indemnity insurance? YES NO
- ii. If so, what is their Limit of Indemnity? \$
- iii. What was the total fees paid to contractors/subcontractors in the last financial year? \$
- iv. What are the services/activities provided by the contractors/subcontractors?

#### 4. LIMIT OF INDEMNITY & YOUR EXISTING INSURANCE ARRANGEMENTS

- a) Do you have any Professional Indemnity insurance cover currently in place? YES NO
- If "YES", please advise the following details about your current policy:
- Insurer: Expiry date: / /
- Limit of Indemnity \$ Deductible: \$
- Retroactive date (if applicable): / /
- b) What Limit of Indemnity do you require? \$
- c) What Deductible (or Excess) do you prefer? \$
- d) Do you require a quote for Public and/or Product Liability insurance? YES NO
- If "YES", a separate proposal form is required

#### 5. CONTRACTUAL ARRANGEMENTS

- a) Do you use a standard form of contract, agreement or letter of appointment? YES NO
- If "YES", please attach a copy(ies).
- b) Do you assume liability under contract or hold others harmless (other than lease liability)? YES NO
- If "YES", please provide full details and attach copies of all applicable agreements (other than leases).

#### 6. CLAIMS AND/OR LOSS EXPERIENCE

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 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? YES NO
- 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 entity and any of the present or former Principals)? YES NO
- c) Are there any Claims against previous business or practice which have been identified in Questions 3. f) of this Proposal, which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior entity and any of the present or former Principals)? YES NO
- d) Has any Principal or staff member ever been subject to disciplinary proceedings for professional misconduct? YES NO

If "YES" to 6. a), 6. b), 6. c) or 6. d), please complete the following table:

<b>Date First Notified</b>	/ /	/ /	/ /
<b>Insurer</b>			
<b>Third Party/Claimant</b>			
<b>Insured Entity/Person</b>			
<b>Brief Description of Claim, Circumstance or Disciplinary Proceeding</b>			
<b>Incurred Loss</b> (i.e. Amount Paid <u>and</u> Outstanding)	\$	\$	\$
<b>Status</b>	Open Closed	Open Closed	Open Closed
<b>Excess/Deductible</b>	\$	\$	\$

## 7. PREVIOUS INSURANCE HISTORY

Have you ever had any:

- |  |     |    |
|--|-----|----|
| a) Insurance declined or cancelled?              | YES | NO |
| b) Renewal refused?                              | YES | NO |
| c) Special conditions imposed on your insurance? | YES | NO |
| d) Increased excess imposed on your insurance?   | YES | NO |
| e) Claims denied for this class of insurance?    | YES | NO |

If "YES" to any of the above, please provide full details.

## 8. DECLARATION

I/We

- a) declare that:
  - i. I/we have read and understood the clauses detailed under the Important Notices section at the front of this Proposal;
  - ii. the answers and information given by me/us in this Proposal are true and correct in all respects;
  - iii. no information has been withheld that would affect the underwriter's decision to accept this Proposal; and
  - iv. where answers in this Proposal are not in my/our own handwriting, they have been checked by me/us and I/we agree they are correct.
- b) authorise the Underwriters to give to, or obtain from other insurers or an insurance or credit reference bureau, any information relating to these insurance covers, and any other insurances held by me/us and claims under those insurances.
- c) understand that, if this Proposal is accepted, my/our insurance cover will be subject to the terms and conditions set out in the Policy.
- d) acknowledge that the underwriters & their agents reserve the right to decline this Proposal.
- e) acknowledge that this policy and Underwriters are bound by any sanctions list (including associated legislation) generated in Australia, US, EU and/or UK.

Proposer's Signature:

Date: / /

Proposer's Title:



## ADDENDUM 1: OH&S/ENVIRONMENTAL CONSULTANTS

A) Based on your Gross Professional Fees for the past 12 months, please provide approximate % split of fees derived from your professional business activities in the following areas:

Professional Activity	% of Fees (must total 100%)
<ul style="list-style-type: none"> <li>▪ General OH&amp;S consulting - <ul style="list-style-type: none"> <li>○ environmental compliance advice? <b>YES</b> <b>NO</b></li> <li>○ environmental impact assessment? <b>YES</b> <b>NO</b></li> <li>○ health &amp; safety risks assessment? <b>YES</b> <b>NO</b></li> <li>○ land contamination advice? <b>YES</b> <b>NO</b></li> </ul> </li> </ul>	
▪ OH&S Training (classroom based only)	
▪ Occupational Hygiene Consulting	
▪ Occupational Rehabilitation Consulting	
▪ Dangerous Goods Consulting/Auditing	
▪ Safety Engineering	
▪ Site Remediation and Assessment	
▪ Radiation	
▪ Asbestos Auditing	
▪ Asbestos Removal (including project management)	
▪ Environmental Audits/Consulting/Engineering	
▪ Pollution	
▪ Waste Water Treatment	
▪ Recycling – Please specify which type:	
▪ Acoustics & Noise Prevention	
▪ Soil Testing	
▪ Water Quality Audits	
▪ Mining Safety	
▪ Toxic Mould/Fungi	
▪ Building Inspection	
▪ Machinery & Heavy Vehicle Training/Ticketing	
▪ Inspection & Testing of Machinery	
▪ Others (please specify):	

B) Based on your Gross Professional Fees for the past 12 months, please provide approximate % split of fees derived from the following client groups:

Client Groups	% of Fees (must total 100%)
▪ Residential	
▪ Commercial	
▪ Manufacturing	
▪ Construction	
▪ Local Authorities / Government Bodies	
▪ Oil & Gas Industry	
▪ Utility Industry (please specify whether water, power, etc)	
▪ Mining Industry	
▪ Chemistry	
▪ Others (please specify):	

Proposer's Signature:

Position:

Proposer's Name:

Date: / /