



PROFESSIONAL INDEMNITY INSURANCE PROPOSAL (CIVIL LIABILITY)

Level 1, 2 Wellington Parade, East Melbourne. 3002.
ph: 03 9235 5255 fax: 1800 633 073
email: enquiries@prorisk.com.au
web: www.prorisk.com.au



IMPORTANT NOTICES:

CLAIMS MADE POLICY

This Proposal is for a policy issued by ProRisk on a claims made and notified basis. This means that the policy only covers claims first made against you during the insurance period and notified to ProRisk in writing during the insurance period. The policy does not provide cover for any claims made against you during the insurance period if at any time prior to the commencement of the insurance period you were aware of facts which might give rise to those claims being made against you.

Section 40(3) of the *Insurance Contracts Act 1984* provides that where the insured gives notice in writing to the insurer during the insurance period of facts that might give rise to a claim against the insured, the insurer cannot refuse to pay a claim which arises out of those facts, by reason only that the claim is made after the insurance period has expired.

YOUR DUTY OF DISCLOSURE

Section 21 of the *Insurance Contracts Act 1984* provides that before you enter into a contract of general insurance with an insurer, you have a duty 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, upon 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 of disclosure is waived by the insurer.

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.

RETROACTIVE LIABILITY

The policy is limited by a retroactive date. The policy does not cover any civil liability arising from your conduct of the professional business prior to the retroactive date.

ALTERATION TO RISK AND DEREGISTRATION

The policy requires you to notify the insurer within thirty days of any material change in the nature of the professional business, or any act of insolvency or bankruptcy of the insured. The policy requires you to give immediate notice of the cancellation, suspension, termination or imposition of conditions in respect of the insured's statutory registration. Claims arising following the cancellation, suspension or termination of the insured's statutory registration are excluded from indemnity under the policy.

LIMITED LIABILITY

The policy provides that if a payment greater than the limit of indemnity is required to dispose of a claim, the insurer's liability for costs and expenses will be limited to the proportion that the limit of indemnity bears to the payment required to dispose of the claim.

POLICY CANCELLATION

In the event of policy cancellation by the insured, ProRisk's cancellation rates will apply.

WAIVER OF RIGHTS OF SUBROGATION

The policy provides that you must not, without our prior written consent, enter into any contract or agreement which excludes, limits or prejudices a right of recovery which the insured may have in respect of any claim covered under the policy. Further, you must not do anything or fail to do anything which excludes, limits or prejudices our rights of subrogation.

PRIVACY STATEMENT

ProRisk is bound by the obligations of the *Privacy Act 1988* (as amended) regarding the collection, use, disclosure and handling of personal information. We will protect the privacy of your personal information.

We collect personal information about you to enable us to provide you with relevant products and services, to assess your application for insurance and, if a contract is entered, to enable us to provide, administer, and manage your policy, and to investigate and handle any claims under your policy. We may disclose your information to third parties (who may be located overseas), such as the insurer, lawyers, claims adjusters, and others appointed by ProRisk or by the insurer to assist us and them in providing relevant products and services. We may also disclose your information to people listed as co-insured on your policy and to your agents. By providing your personal information to us, you consent to us making these disclosures.

If you do not provide all or part of the information required, we may not be able to provide you with our products and services, consider your application for insurance, administer your policy, assess or handle claims under your policy, or you may breach your Duty of Disclosure.

When you provide us with personal information about other individuals, we rely upon you to have made them aware of that disclosure, and of the terms of the ProRisk Privacy Statement, and to obtain their consent.

For a copy of the ProRisk Privacy Statement or to request access to or update the personal information, contact the Privacy Officer at ProRisk by email: enquiries@prorisk.com.au or by mail at the address shown on this Proposal.

PROFESSIONAL INDEMNITY INSURANCE PROPOSAL

IMPORTANT NOTICE:

- Please answer all questions in full. Where appropriate, please tick the yes or no box that best indicates your reply.
- If there is insufficient space, please provide further details on your letterhead.
- All attached documents form part of this Proposal.

Your Details:

1. Full names of all individuals and entities to be insured, including service companies and subsidiaries:

2. ABN: _____ 3. Web address: _____

4. Principal business address:
-
-

5. Other business locations:
-
-

6. Date of commencement of business: _____

7. Names and qualifications of principals:

Name	Age	Qualifications & date qualified or detail experience	Period as principal	
			Applicant	Prior business

8. Staff numbers:

Staff	Numbers:
Principals	
Professional qualified	
Other technical	
Non-technical and administrative	
Total:	

9. Please list your memberships of professional associations:

10. (a) Are you required to be licensed or accredited in order to carry on your business?

☐ Yes ☐ No

(b) If Yes, has your license or accreditation been in force at all relevant times?

☐ Yes ☐ No

If No to (b), please provide details:

11. (a) Has the name of your business ever changed? ☐ Yes ☐ No

(b) Have you ever carried on your business under a different corporate entity?

☐ Yes ☐ No

(c) Has any other business or practice amalgamated or merged with your business?

☐ Yes ☐ No

(d) Have you purchased any other business or practice?

☐ Yes ☐ No

If Yes to any of 11(a), (b), (c) or (d), please provide details:

Your Business:

12. Please provide a detailed description of your business and attach any relevant brochures or other documentation:

13. Please state each activity undertaken by your business and the percentage of gross fee income which each activity represents:

Business activity	% Gross fee income

14. (a) Has there been any substantial change in your activities in the past twelve months?

☐ Yes

☐ No

(b) Do you anticipate any substantial change in your activities during the next twelve months?

☐ Yes

☐ No

If Yes to 14(a) or (b), please provide details

15. Does any one contract or client represent more than 30% of your annual work or fee income?

☐ Yes

☐ No

If Yes, please provide details:

16. If you are a sole proprietor, what arrangements do you have in place for the business when you are temporarily absent eg illness or on leave?

17. (a) Do you engage sub-contractors to carry out any of your activities?

☐ Yes

☐ No

(b) If Yes, do you always insist and confirm that sub-contractors carry their own professional indemnity insurance?

☐ Yes

☐ No

If No to 17(b), please advise the circumstances under which you would insist and confirm that subcontractors carried professional indemnity insurance.

18. Do you ever enter into hold harmless agreements or otherwise waive any legal right or entitlement that you may have against a sub-contractor?

☐ Yes

☐ No

If Yes, please provide full details and attach copies of any such agreements:

19. Do you use written agreements, conditions and disclaimers in your business?

If Yes, please attach a copy.

☐ Yes

☐ No

20. Do you perform work outside of Australia, or work for clients located overseas?

☐ Yes

☐ No

If Yes, please provide details:

Fee Income and Assets:

21. Please state the date of your financial year end: _____

22. Gross fee income:

	Australia	Overseas
Last financial year	\$	\$
This financial year (estimate)	\$	\$
Gross company assets	\$	\$

23. For the last financial year, please provide a breakdown of gross fee income by State:

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

Your Claims Details:

24. Please provide details of all professional indemnity claims against you, your principals, employees or consultants in the last five years:

Year	Insurer	Amount Paid	Outstanding	Total Incurred	Description

25. Please state what action was taken to prevent a recurrence of the situation which gave rise to each claim listed at Q.24:

26. After making appropriate enquiries, are there any facts or circumstances of which you, or any other principal, employee or consultant are aware that may give risk to a claim against you, or any of you, including your predecessors in business?

☐ Yes

☐ No

If Yes, please provide details:

27. After making appropriate enquiries, has any principal, employee or consultant ever been subject to external disciplinary proceedings?

☐ Yes

☐ No

If **Yes**, please provide full details:

Your Insurance History:

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

☐ Yes

☐ No

If **Yes**, please provide details:

Expiry Date	Insurer	Limit	Excess	Premium

- (b) For what period have you been continuously insured in respect to Professional Indemnity?

Years

29. Have you ever had a professional indemnity insurer:

- (a) Decline a proposal?

☐ Yes

☐ No

- (b) Impose special terms?

☐ Yes

☐ No

- (c) Decline to renew your insurance?

☐ Yes

☐ No

- (d) Cancel your insurance?

☐ Yes

☐ No

If **Yes to any of 29(a) to (d)**, please provide details:

Coverage:

30. Are you applying for cover for a prior corporate entity through which you previously carried on your business?

If **Yes**, please state the full name and ABN of the entity:

☐ Yes

☐ No

31. Do you wish to apply for fidelity cover?

☐ Yes

☐ No

If **Yes**, please refer to and complete the Fidelity Addendum. The Fidelity Addendum can be obtained from www.prorisk.com.au.

32. Are you applying for cover for a principal's prior business:

If Yes,

☐ Yes

☐ No

(a) Please state the name of the principal seeking cover:

(b) Please state the full name and ABN of the principal's prior business:

(c) Is the principal's prior business in the same professional discipline as the business?

☐ Yes

☐ No

(d) Please state the activities of the principal's prior business:

(e) Please state the estimated gross fee income for the two financial years ended immediately prior to the principal leaving the prior business:

Year:		Gross Fee Income:	\$
Year:		Gross Fee Income:	\$

(f) To the best of your knowledge, does the principal's prior business have its own professional indemnity insurance cover in place?

☐ Yes

☐ No

(g) After making appropriate enquiries, are there any facts or circumstances of which you, or any other principal, employee or consultant of the principal's prior business are aware that may give rise to a claim against you, or any of you, in respect to the principal's prior business?

If Yes to 32(g), please provide details:

☐ Yes

☐ No

33. Are you applying for cover for your liability in a joint venture?

☐ Yes

☐ No

If Yes, please provide details:

34. Please advise the limit of indemnity and excess required:

Limit of Indemnity:

☐ \$1 million

☐ \$2 million

☐ \$5 million

☐ \$10 million

☐ Other: _____

Excess:

☐ \$5,000

☐ \$7,500

☐ \$10,000

☐ \$20,000

☐ Other: _____

Other Insurance:

35. Please indicate if you would like to receive premium indications for:

☐ Public Liability Insurance

☐ Directors' and Officers' Insurance

DECLARATION

After making appropriate enquiries, I declare that:

- I am authorised on behalf of the prospective Insured(s) to make this Proposal.
- I have read and understood the Important Notices accompanying this Proposal.
- Where I have provided information about another individual, I declare that the individual has been made aware of that fact and of the ProRisk Privacy Statement.
- I authorise ProRisk to collect or disclose any personal information relating to this insurance to or from other insurers or insurance or credit reference services.
- I confirm that the statements and information in this Proposal are true and complete.
- I understand that, until a contract of insurance is entered into, I am under a continuing obligation to immediately inform ProRisk of any change to the information contained in this Proposal.
- I acknowledge that, if a contract of insurance is entered into, this Proposal and any accompanying documents will form the basis of the contract.

Signature: _____

Name: _____

Position: _____

Date: _____