

PROFESSIONAL INDEMNITY GENERAL LIABILITY AND MANAGEMENT LIABILITY INSURANCE COMBINED PROPOSAL (RECRUITMENT SERVICES)



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the problem solving **PEOPLE**

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.

COMBINED PROFESSIONAL INDEMNITY, GENERAL LIABILITY AND MANAGEMENT LIABILITY INSURANCE PROPOSAL FOR RECRUITMENT SERVICES

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.

PART 1: APPLICANT'S DETAILS

1.1 Insured Name(s):

1.2 ABN: _____

1.3 Web address: _____

1.4 Principal business address:

1.5 Other business locations:

1.6 Date of commencement of business: ____/____/____

1.7 Names and qualifications of all principals:

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

1.8 Staff Numbers:

Internal Staff	Numbers:	External Placed Staff	Numbers:
Recruitment Executives		On-hired Employees	
Other technical		On-hired Contractors	
Non-technical and administrative		Total Staff:	

1.9 Please list your memberships of professional associations:

- 1.10** (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
- (e) Do you require principals prior business cover? ☐ Yes ☐ No
- If Yes to any of 1.10(a), (b), (c), (d) or (e), please provide details in an attachment.

PART 2: INSURANCE HISTORY

- 2.1** (a) Are you currently insured? ☐ Yes ☐ No

If Yes, please provide details:

	Expiry Date	Insurer	Limit	Excess	Premium
Professional Indemnity					
General Liability					
Management Liability					

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

_____ Years

PART 3: REVENUE, ASSETS & LIABILITIES

- 3.1** Please state the date of your financial year end: ____ / ____ 20 ____

- 3.2** Please provide details of your revenue & assets:

	LAST FINANCIAL YEAR	THIS FINANCIAL YEAR (EST)
TOTAL GROSS REVENUE:		
TOTAL GROSS COMPANY ASSETS:		
TOTAL COMPANY LIABILITIES:		
NET ASSETS:		
NET PROFIT (LOSS):		

- 3.3** Are there any facts or circumstances that might affect the ability of the Company to meet all its debts as and when they fall due?

☐ Yes ☐ No

If Yes, please provide details in an attachment.

3.4 Do the financial statements of the Company contain a contingent liability?

☐ Yes

☐ No

If **Yes**, please provide details in an attachment.

3.5 Do you perform work outside of Australia, or work for clients located overseas? If so, please state the amount of turnover below in AUD:

	LAST FINANCIAL YEAR	THIS FINANCIAL YEAR (EST)
USA & CANADA:		
* Other Overseas Territories:		

* Please state all countries: _____

3.6 For the last financial year, please provide a percentage breakdown of gross fee income by state:

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

PART 4: FEES & WAGES

4.1 (a) Please indicate the amount of income received by you for the following **RECRUITMENT SERVICES**.

	LAST FINANCIAL YEAR (AUD)	THIS FINANCIAL YEAR ESTIMATE (AUD)
Permanent Placements	\$	\$
Reference Checking	\$	\$
Human Resource Consulting	\$	\$
Psychological Testing	\$	\$
Training & Induction	\$	\$
Group training, namely the provision of training courses and practical experience to apprentices and trainees	\$	\$
Payroll Management	\$	\$
Outplacement Services	\$	\$
Contract Management Services	\$	\$
TOTAL REVENUE:	\$	\$

(b) Please indicate your fee income & the wages you have paid in relation to **TEMPORARY PLACEMENTS**.

	LAST FINANCIAL YEAR (AUD)	THIS FINANCIAL YEAR ESTIMATE (AUD)
Fee Income for Temporary Placements	\$	\$
Wages paid to On-Hired Employees	\$	\$
Wages paid to On-Hired Contractors	\$	\$
TOTAL REVENUE:	\$	\$

4.2 Please categorise your **fees** for placing permanents, and your gross **wages** (including trust distributions) payable to **on-hired Employees** and **on-hired Contractors**. Please provide actual amounts for last year and estimates for the current year in AUD:

Activities: Occupations	Fees for Permanent Placements		Gross Wages Paid to On-Hired Employees		Gross Wages Paid to On-Hired Contractors	
	Last Year	This Year	Last Year	This Year	Last Year	This Year
Professionals:						
Accountants	\$	\$	\$	\$	\$	\$
Aircraft Engineers	\$	\$	\$	\$	\$	\$
Architects	\$	\$	\$	\$	\$	\$
Engineers & Draftpersons	\$	\$	\$	\$	\$	\$
IT Consultants	\$	\$	\$	\$	\$	\$
Legal Practitioners	\$	\$	\$	\$	\$	\$
*Other Professionals	\$	\$	\$	\$	\$	\$
Other White Collar:						
Clerical/Secretarial	\$	\$	\$	\$	\$	\$
*Hospitality	\$	\$	\$	\$	\$	\$
*Other White Collar	\$	\$	\$	\$	\$	\$
Blue Collar:						
Aircraft Maintenance Workers	\$	\$	\$	\$	\$	\$
Construction	\$	\$	\$	\$	\$	\$
Industrial	\$	\$	\$	\$	\$	\$
Labourers	\$	\$	\$	\$	\$	\$
Light Manual (warehouse or light industrial)	\$	\$	\$	\$	\$	\$
Mining	\$	\$	\$	\$	\$	\$
Security	\$	\$	\$	\$	\$	\$
Scaffolders & Riggers	\$	\$	\$	\$	\$	\$
Welders	\$	\$	\$	\$	\$	\$
*Other blue Collar	\$	\$	\$	\$	\$	\$
Medical Placements:						
*Allied Health	\$	\$	\$	\$	\$	\$
Attendant Carers	\$	\$	\$	\$	\$	\$
Childcare Workers	\$	\$	\$	\$	\$	\$
Locums	\$	\$	\$	\$	\$	\$
Midwives	\$	\$	\$	\$	\$	\$
Nurses	\$	\$	\$	\$	\$	\$
*Other Medical	\$	\$	\$	\$	\$	\$

*Please provide details of activities/occupations of categories marked *

- 4.3 Do you require cover for business activities other than the provision of Recruitment or Contract Management Services?
- ☐ Yes ☐ No

If Yes, please provide details:

- 4.4 (a) This policy **will not** automatically cover your **on-hired Contractors**, do you require cover to extend to cover **all** of your on-hired contractors while in temporary placements?
- ☐ Yes ☐ No
- (b) If not, do you require cover for only **some** of your **on-hired Contractors** while in temporary placements?
- ☐ Yes ☐ No

If Yes, please provide the following details:

On-Hired Contractor Name	Occupation

PART 5: APPLICANT'S BUSINESS DETAILS

- 5.1 (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 (a) or (b), please provide details in an attachment.

- 5.2 Are you applying for cover for your liability in a joint venture? ☐ Yes ☐ No

If Yes, please provide details in an attachment.

- 5.3 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?

PART 6: RISK MANAGEMENT

- 6.1 If you place on-hired employees and contractors do you undertake regular site visits to your host employer's workplace to ensure relevant Work Health & Safety duties and responsibilities are satisfied?
- ☐ Yes ☐ No

6.2 If **Yes** to 6.1 what steps do you take to ensure Work Health & Safety obligations are met at your host employer's workplace?

PART 7: CLAIMS INFORMATION

7.1 Has there been any claims against the insured, any principals, employees or consultants in the last five years (whether insured or uninsured):

If **Yes**, please provide details in an attachment.

7.2 If **Yes** to 7.1 please provide details in an attachment as to what action was taken to prevent a recurrence of the situation which gave rise to each claim detailed in question 7.1.

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

☐ Yes ☐ No

If **Yes**, please provide details in an attachment.

7.4 Has the applicant ever had an insurer decline a proposal, impose special terms, decline to renew or cancel an insurance policy?

☐ Yes ☐ No

If **Yes**, please provide details in an attachment.

7.5 After making appropriate enquiries, has any insured, principal, employee or consultant been subject to external disciplinary proceeding or been subject to a complaint to a professional society or statutory registration board in the last five years?

☐ Yes ☐ No

If **Yes**, please provide details in an attachment.

PART 8: COVER REQUIRED

8.1 Please advise limit(s) required:

Professional Indemnity	General Liability	Management Liability
<input type="checkbox"/> \$1,000,000	<input type="checkbox"/> \$5,000,000	<input type="checkbox"/> \$500,000
<input type="checkbox"/> \$2,000,000	<input type="checkbox"/> \$10,000,000	<input type="checkbox"/> \$1,000,000
<input type="checkbox"/> \$5,000,000	<input type="checkbox"/> \$20,000,000	<input type="checkbox"/> \$2,000,000
<input type="checkbox"/> \$10,000,000	<input type="checkbox"/> Other: _____	<input type="checkbox"/> \$5,000,000
<input type="checkbox"/> \$20,000,000		<input type="checkbox"/> \$10,000,000
<input type="checkbox"/> Other: _____		<input type="checkbox"/> Other: _____

8.2 Please advise excess(es) required:

Professional Indemnity	General Liability	Management Liability
<input type="checkbox"/> \$1,000	<input type="checkbox"/> \$1,000	<input type="checkbox"/> \$1,000
<input type="checkbox"/> \$2,000	<input type="checkbox"/> \$2,000	<input type="checkbox"/> \$2,000
<input type="checkbox"/> \$5,000	<input type="checkbox"/> \$5,000	<input type="checkbox"/> \$5,000
<input type="checkbox"/> \$10,000	<input type="checkbox"/> Other: _____	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Other: _____		

PART 9: 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: ____/____/____

