

IBG | Insurance Brokers

PROFESSIONAL INDEMNITY INSURANCE PROPOSAL FORM - ACCOUNTANTS

IMPORTANT

- Answer all questions. Blanks, dashes, answers 'known to underwriters or brokers' or 'N/A' are not acceptable and will delay consideration of this proposal.
- If there is insufficient space, please provide details on your letterhead.
- Where provided, tick an appropriate box to indicate your answer.
- The Applicant will be referred to in the Proposal as "You" or "Your".

DETAILS OF APPLICANT

1. (a) Full legal name of each natural person and incorporated body to be insured, as well as any unincorporated business or trading names. (It is essential that you specify the names of all entities including service, administrative or nominee companies and subsidiaries that you wish to be covered by this policy).			
(b) Are you registered for GST purposes?	Yes	No	What is your ABN? : : : : : : : :
(c) If less than 5 years, please provide a resume of partners'/directors' prior experience.			
2. Address of head office or principal office.			
3. Address(es) of branch offices or other locations.			
4. Date on which the Practice was established		/ /	
Phone	Facsimile		Mobile
Email Address		Website address	

5. Please supply the following details				Period Practicing as Partner/Principal/Director	
Names of all Partners/Principals/Directors	Age	Qualifications	Date Qualified	This Practice	Previous Practices
			/ /		
			/ /		
			/ /		
			/ /		
			/ /		

6. Please supply total number of:			
Partners/Principals/Directors		Non-technical administrative staff	
Professional qualified staff		Clerical staff-typists, receptionists	
Other technical staff		Other staff (please specify)	
Trainee staff		Total all Partners/Principals/Directors and staff	

Please enclose curriculum vitas or resumes for all Partners/Principals/Directors detailing qualifications and summary of career experience

FOR SOLE PROPRIETORS ONLY

7. State the experience of your assistants and their length of service

8. What arrangements do you have to assist you during your temporary absence on business, leave or sickness, or unforeseen emergency?

DETAILS OF PRACTICE

9. (a) Has the name of the Practice ever been changed?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
(b) Has any other practice or business amalgamated or merged with you?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
(c) Have you purchased any other practice or business?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If you have answered Yes to either (a), (b) and (c), please supply details:				

10. Is any Partner, Principal or Director connected or associated (financially or otherwise) with any other practice or business?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If Yes, please supply details:				

11. Please list the professional bodies or associations to which the Applicant belongs.

12. (a) Split of Activities by client type – please detail the approximate percentage of your fee income for the past 12 months derived from the following fields of work.

Before completing this table, please read the following notes:-

- The information requested in Column 1 is mandatory
- In addition to completing Column 1, you must either complete 2,3 & 4 or Column 5
- If your firm does not keep sufficient records to enable you to complete Columns 2, 3 and 4 you do not have to complete these columns. If your records do enable you, however, it is strongly recommended that these columns be completed.

If you choose not to complete Columns 2,3 & 4, Column 5 must be completed as an alternative

Fees earned from	Mandatory Column	Option 1 - recommended option (Please use balance of fees from mandatory column 1)			Option 2 (please use balance of fees from mandatory column 1)	Total
	1. Listed Public Companies & Financial Institutions	2. Clients with fees under \$ 10,000	3. Clients with fees between \$10K – \$50K	4. Clients with fees over \$ 50 K	5 If fee split not available for 2, 3, & 4	
(i) Auditing	%	%	%	%	%	%
(ii) Accounts preparation or bookkeeping		%	%	%	%	%
(iii) Receiverships, liquidations or bankruptcies		%	%	%	%	%
(iv) Investment advice or investment management		%	%	%	%	%
(v) Superannuation fund management/trusteeship		%	%	%	%	%
(vi) Taxation		%	%	%	%	%
(vii) Insurance Agency		%	%	%	%	%
(viii) Company directorships/secretarial positions		%	%	%	%	%
(ix) Others (please specify)		%	%	%	%	%
TOTAL (using Option 1)	1+	2+	3+	4=		100%
TOTAL (using option 2)	1+				5=	100%

(b) Liquidation activities
Please list 5 largest Liquidation projects you are currently undertaking or have completed in the last 5 years

Company	Role of the Applicant	Compulsory Liquidation instituted by the Court				Creditors Voluntary Liquidation				Liquidation finalised			
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No		

(c) Audit Activities

Please list the 5 largest Audit projects you are currently undertaking or have completed in the last 5 years

Client	Type of Entity audited (company limited by guarantee, public listed company, trust , etc	Fee generated or charged from audit	Date of finalisation or expected finalisation of audit	Do you remain the auditor for this Client?			
				Yes		No	
				Yes		No	
				Yes		No	
				Yes		No	
				Yes		No	
				Yes		No	

If you have completed an audit for a public company or financial institution over the last 3 years or are currently undertaking an audit for a public company or financial institution, please provide a schedule of such clients.

13. Do you provide general accounting services or advice to organizations to which you also provide auditing services?

Yes

No

If Yes, please supply details as to how such auditing services are carried out in an independent manner:

14. Do you perform auditing work for any financial Institutions such as Banks of any description, Finance Companies, Building Societies, Credit Unions, Credit or Housing Co-operatives, Insurance Companies or Life Assurance companies?

Yes

No

If Yes, please provide fees derived from this activity

15. Are you either an:

(a) Australian Financial Services Licence Holder?

Yes

No

Licence
Number

(b) Authorised Representative for an Australian Financial Services Licensee?

Yes

No

Licence
Number

If you are seeking cover as an authorised representative of an Australian Financial Services Licence Holder, we will require completion of the attached Australian Financial Services Declaration (Accountant)

16. Please provide brief description and fees for the five (5) largest contracts undertaken over the past five (5) years.

Brief Description	Fees \$

17. Does any contract or client represent more than 50% of your annual work or fees?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If Yes, please supply details:				

18. Do you engage consultants, sub-contractors or agents?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If Yes:				
(a) do you insist they carry their own Professional Indemnity Insurance?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
(b) do you enter into any hold-harmless agreements or otherwise waive any legal rights or entitlements which you may have against such consultants, sub contractors or agents	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

19. Do you envisage any substantial changes in your activities or are there any major new operations contemplated during the next 12 months?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If Yes, please supply details:				

20. Are verbal reports always confirmed in writing?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If No, how do you substantiate such verbal reports?				

21. Do you issue any brochures or other promotional material (including capability statements) describing your activities or services?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If Yes, please enclose copies				

22. Do you perform work outside of Australia, or work for clients located overseas?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If Yes, please provide details:				

23. Have you or any Principal been (or are they) a member of any Joint Venture?			
No		Yes	▶ Please provide the following information in respect of each such Joint Venture.
Please provide the description and nature of the Joint Venture project. Additional information may be requested depending on the nature, size and type of Joint Venture.			
24. (a) Do you have a documented Risk Management Program (consistent with Australian Standard AS/NZS 4360:1999) which addresses your professional duty risk?			
No		Yes	▶ Please provide a copy
(b) What date was that program implemented?		/ /	
(c) Is the program independently reviewed/monitored/audited?			
No		Yes	▶ Please provide details:
(d) When was that program last reviewed and updated to ensure that it complies with the current standards applying to your profession?			/ /
(e) What are the highlights of the program which you have implemented to reduce/manage risk related to breach of professional duty as they related to your practice?			

FINANCIAL DETAILS

25. (a) Please advise the date of your financial year end	/ /	
(b) Please provide the amount of gross income/fees for the following:	Australia	Overseas
(i) current financial year (estimate)	\$A	\$A
(ii) last financial year	\$A	\$A
(iii) previous financial year	\$A	\$A
(c) Please provide the amount of the largest annual fees for any one client:	\$A	\$A

26. Please provide the approximate percentage of your activities (based on fee income) applicable to each State, Territory and Overseas.								
NSW	VIC	QLD	SA	WA	TAS	NT	ACT	O/S
%	%	%	%	%	%	%	%	%

CLAIMS DETAILS

27. Has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct?	Yes		No	
If Yes, please provide details:				

28. Have any claims for negligence or breach of professional duty been made in the last 10 years against the Practice or any of its predecessors in business or any prior Practice of any of the Present or former Partners, Principals or Directors, or have circumstances been notified to insurers that might give rise to a claim?							
				Yes		No	
If Yes, please provide the following details in respect to each matter:							
Date Matter Notified	Name of Insurer (if any)	Name of Claimant Or Potential Claimant	Brief Description Of Matter	Amount Paid or Estimate of Potential Liability	Is Matter Finalised or Outstanding		

29. Are any of the Partners, Principals or Directors, AFTER ENQUIRY, aware of any claim or circumstances that might give rise to a claim against the Practice or any Prior Practice of any of their present or former Partners, Principals or Directors which matter is not referred to in the above question?						
			Yes		No	
If Yes, please provide the following details to each matter:						
Name of Claimant or Potential Claimant	Brief Description of Matter			Estimate of Potential Liability		

DETAILS OF INSURANCE COVER

30. (a) Does the Practice presently carry or has the Practice ever carried, Professional Indemnity Insurance?		Yes		No	
If Yes, please supply the following details:					
Insurer:					
Expiry Date:	/	/			
Limit of Indemnity:	\$				
Base Premium (not including stamp duty and GST):	\$				
(b) Has the Practice or any Partner, Principal or Director ever been refused this type of insurance, or had similar insurance cancelled, or had an application of renewal declined, or had special terms imposed?					
		Yes		No	
If Yes, please supply details:					

APPLICATION FOR COVER

31. (a) Limit of Indemnity required	\$				
(b) Deductible/Excess requested (Each & Every Claim)	\$				
(c) Optional Extensions:					
- Aggregate Limit of Indemnity (Reinstatement)	Yes		No		
- Fidelity – if yes, refer to question 29	Yes		No		
- Previous Business	Yes		No		
- Retroactive Cover	Yes		No		
If yes, please state date from which retroactive cover is required	/	/			

FIDELITY COVER (to be completed only where the Applicant is applying for the Fidelity Extension.)

32. (a) Does the practice presently carry any Fidelity Guarantee Insurance?		Yes		No	
If Yes, please supply the following details:					
Insurer:					
Expiry Date:	/	/			
Limit of Indemnity:	\$				
Deductible/Excess	\$				
(b) Has the Practice sustained any loss through the fraud or dishonesty of any employee?		Yes		No	
If Yes, please supply details and state precautions taken to prevent recurrence					
(c) Is any member of the Practice's staff allowed to handle cash or transferable documents or sign cheques on his/her signature alone?		Yes		No	

(d) How often and by whom are the entries in the cash book checked with the vouchers and reconciled with the bank statements and returned cheques?			
Please provide details:			
(e) Does the Practice always require and obtain satisfactory references when engaging employees?	Yes		No

PREVIOUS BUSINESS COVER (to be completed only where the Applicant is applying for the Previous Business Extension)

Name of principal, partner, or director seeking Previous Business cover	Name(s) of previous business(es)	Estimate Gross income for previous business(es) for 2 financial/calendar year ends immediately prior to principal, partner or director leaving	To the best of your knowledge, does the previous business(es) carry their own current Professional Indemnity policy?	Please provide details of the types of professional services offered by the previous business(es)

It is important that the claims and circumstances question within this Proposal Form fully reflect the claims and circumstances history of any prior Practice or previous business.

DECLARATION

I the undersigned, after enquiry, declare as follows:

- (1) I am authorised by each of the other Applicants to make this Proposal.
- (2) I have read and understood the Notice to the Proposed Insured on the back of this Proposal.
- (3) I have read this Proposal and the accompanying documents and acknowledge the contents of same to be true and complete.
- (4) I/we have not suppressed or mis-stated any facts and should any information given by me/us alter between the date of this Proposal form and the inception date of the insurance to which this Proposal relates I/we shall give immediately notice thereof.
- (5) I understand that, up until a contract of insurance is entered into, I am under a continuing obligation to immediately inform IBG Insurance Brokers of any change in the particulars or statements contained in this Proposal or in the accompanying documents.

Although the signing of this Proposal does not bind the Applicants to effect insurance, the Applicants acknowledge that the particulars and statements contained in this Proposal and in the accompanying documents shall be the basis of the contract should a Policy be issued, and further, the Applicants acknowledge that the Proposal and the accompanying documents will be incorporated in the Policy.

Name of Practice	
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Signed: Partner, Principal or Director		Date	/ /
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IBG Insurance Brokers
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AUSTRALIAN FINANCIAL SERVICES DECLARATION (ACCOUNTANTS)

(To be completed only where the Applicant is applying for cover as an authorised representative of an Australian Financial Services Licensee)

1. List all corporate and individual authorised representatives applying for cover				
Name of authorised representative	Is such representative a corporate or individual authorised representative	Please identify the responsible Australian Financial Services Licensee(s)	Australian Financial Services Licence Number(s)	Name of any Professional Association which the authorised representative belongs to

2. (a) Please advise the date of your financial year end	/ /	
(b) Please provide the amount of gross income/fees earned as an authorised representative for the following:	Australia	Overseas
(i) current financial year (estimate)	\$A	\$A
(ii) last financial year	\$A	\$A

3. Have you ever been banned from acting as a director of a body corporate, been suspended or banned from providing advice or dealing in financial service products, or been subject to disciplinary proceedings for professional misconduct?	Yes	No
If Yes, please provide full details on an attachment		

4. Please provide an approximate breakdown of your gross income/fees earned as an authorised representative for the last financial year				
Activities	% of Gross Income/Fees	Please indicate whether you have ever dealt in these products/services		
Aggressive tax planning and/or mass marketed "tax minimization" schemes		Yes	No	
Dealing in listed Securities		Yes	No	
Dealing in unlisted Securities		Yes	No	
Dealing in foreign Securities		Yes	No	
Investment in Australian Unit Trust		Yes	No	
(i) Cash Management Trust		Yes	No	
(ii) Equity Trusts		Yes	No	
(iii) Property Trusts – listed or unlisted		Yes	No	
Investment in Foreign Unit Trusts. If yes, where -		Yes	No	
Investment in Government Bonds		Yes	No	
Investment in Insurance Bonds		Yes	No	
Investments in other bonds		Yes	No	
Dealing in Commodities (Futures or Physicals)		Yes	No	
Investment in "Tangibles", eg coins, fine art, gems, etc		Yes	No	
Institutional fund management		Yes	No	
Corporate finance		Yes	No	
Life insurance broking		Yes	No	
General insurance broking		Yes	No	

Life insurance agent		Yes		No	
General insurance agent		Yes		No	
Finance broking – residential		Yes		No	
Finance broking – commercial		Yes		No	
Mortgage broking		Yes		No	
Mortgage origination		Yes		No	
Solicitor mortgage funds		Yes		No	
Margin lending or gearing		Yes		No	

5. Do you hold an authority to invest client funds on a discretionary basis?	Yes		No	
If Yes, please provide full details including a copy of the contract used and the percentage of income derived from such activities:				

6. Please confirm all the authorised representatives noted in question 1 above are up to date in respect of training and compliance programs or courses provided by their Australian Financial Services Licensee	Yes		No	
If No, please provide further details:				

7. Has any authorised representative noted in question 1 above reported any compliance breaches to their Australian Financial Services Licensee?	Yes		No	
If Yes, please provide full details:				

8. When was the last time each authorised representative noted in question 1, was audited by their Australian Financial Services Licensee(s)?

DECLARATION

I the undersigned, after enquiry, declare as follows:

- (1) The above Declaration forms part of the Proposal.
- (2) I have read and understood the Notice to the Proposed Insured on the front of this Proposal.
- (3) I am authorised by each of the Applicants to make this Declaration
- (4) I have read this Declaration and the accompanying documents and acknowledge the contents of same to be true and complete.
- (5) I understand that, up until a contract of insurance is entered into, I am under a continuing obligation to immediately inform IBG Insurance Brokers of any change in the particulars or statements contained in this Proposal or in the accompanying documents.

Name of Practice	
-------------------------	--

Signed: Partner, Principal or Director		Date	/	/
---	--	-------------	---	---

Professional Indemnity Insurance

Notice to the Proposed Insured - This notice must be read before you complete the proposal form (Pursuant to the provisions of the Insurance Contract Act 1984)

1. DISCLOSURE OF RELEVANT FACTS - 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, to disclose to the insurer every matter which 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 insurance. Your duty, however, does not require disclosure of a matter:

- That diminishes the risk to be undertaken by the insurer
- That is common knowledge
- That the insurer knows or, in the ordinary course of business as an insurer, 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 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.

Comment

The requirement of full and frank disclosure is of the utmost importance with this type of insurance. This is particularly the case in respect of anything which may be relevant to the risk for which you seek cover (eg. Claims, whether founded or unfounded), or to the magnitude of the risk.

2. CLAIMS MADE POLICY

This declaration is for a "claims made and notified" policy of insurance. This means that the policy covers you for claims made against you and notified to the insurer during the period of cover.

This policy does not provide cover in relation to:

- Acts, errors or omissions actually or allegedly committed prior to the retroactive date of the policy (if such a date is specified);
- Claims made after the expiry of the period of cover even though the event giving rise to the claim may have occurred during the period of cover;
- Claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- Claim made, threatened or intimated against you prior to the commencement of the period of cover;
- Facts or circumstances of which you first became aware prior to the period of cover, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy;
- Claim arising out of circumstances noted on the proposal form for the current period of cover or on any previous proposal form.

Where you give notice in writing to the insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the period of cover, you may have rights under Section 40(3) of the Insurance Contracts Act 1984 to be indemnified in respect of any claim subsequently made against you arising from those facts notwithstanding that the claim is made after the expiry of the period of cover. Any such rights arise under the legislation only. The terms of the policy and the effect of the policy is that you are not covered for claims made against you after the expiry of the period of cover.

3. AVERAGE PROVISION

The policy may provide that if a payment in excess of the limit of indemnity available under the policy has to be made to dispose of a claim, the insurer's liability for costs and expenses incurred with its consent shall be such proportion thereof as the amount of indemnity available under this policy bears to the amount paid to dispose of the claim.

4. RETROACTIVE LIABILITY

The proposed insurance may be limited by a retroactive date either stated in the schedule or endorsed onto the policy. Where the retroactive cover provided by the proposed policy is subject to such a date, then the policy does not cover any claim arising from actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

5. SURRENDER OF WAIVER OF ANY RIGHT OF CONTRIBUTION OR INDEMNITY

If another person or company is liable to compensate you or hold you harmless for part or all of any loss or damage otherwise covered by our policy, but you agree with that person or company (either before or after the inception of our policy) that you would not seek to recover any loss or damage from them we will not cover you for this loss or damage.

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