



Professional Indemnity Insurance BDA Proposal

September 2012



Please return this completed proposal to:

Kathleen Sutherland

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Seven Hills NSW 2147

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Email Kathleen.Sutherland@jlta.com.au

Important Information

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 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, on what terms. The same duty arises on renewal, extension, reinstatement or variation of the policy. The disclosure required is especially important in matters relating to the physical risk, past claims, cancellation of insurance covers, the imposition of increased premiums, insolvency or criminal convictions. Disclosure is not limited to specific questions in a proposal or matters applying to the insured named in the policy but includes other relevant matters including past business or businesses or private insurances. If you breach the duty, even innocently, the insurer may be able to reduce its liability in respect of a claim or may cancel the contract. If the non-disclosure is fraudulent the insurer may also have the option of avoiding the policy from inception.

HOLD HARMLESS AGREEMENTS, CONTRACTING OUT, REMOVAL OF SUBROGATION RIGHTS

You may prejudice your rights to a claim if, without prior agreement from your insurer, you make any agreement that could prevent the insurer from recovering the loss from a third party. These "hold harmless" clauses are often found in leases, licences and contracts for maintenance, supply, construction and repair.

INSURING THE INTEREST OF OTHER PARTIES

If you require the interest of another party to be covered by the policy, you MUST request this. Most policies will exclude indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is expressly noted on the policy.

CHANGE OF RISK OR CIRCUMSTANCES

Please tell us about any changes to your circumstances or business, such as location changes, new or changed business activities, as they could affect your insurances.

THE AVERAGE CLAUSE – UNDER INSURANCE

Home buildings and contents, fire, business interruption and industrial special risks policies often contain an average clause. This means that you should insure for full value which may be replacement, indemnity or market value depending on the type of insurance cover arranged. If you are under insured your claim may be reduced in proportion to the amount of under-insurance.

SERVICE DIFFICULTIES

We would like to know if you are not satisfied with our services. If you have any difficulties please contact your account manager or our Complaints Manager. Jardine Lloyd Thompson Pty Ltd (JLT) subscribe to the Insurance Brokers Dispute Facility, which is a free consumer service, and the General Insurance Broker's Code of Practice. Additional information is available from your local JLT office.

REFUND PREMIUMS

In the event of any refund premium being allowed for the cancellation or adjustment of this insurance policy, JLT reserves the right to retain all brokerage, fees and charges.

CONFIRMATION OF TRANSACTION

You may contact us by telephone or in writing to confirm any transaction under your policy, such as renewals and endorsements. If necessary, we will obtain the information for you from the insurer.

COLLECTION STATEMENT UNDER PRIVACY ACT 1988

In accordance with the Privacy Act 1988 (and subsequent amendments), we, JLT (and our subsidiaries and related entities) draw your attention to the following:

- We may collect personal information about you in connection with our services.
- We collect the information principally for the purpose of approaching the (re)insurance market, placing insurance, assessing and advising you on your insurance needs, claims handling or risk management (depending on your requirements). Other purposes include providing you with information

about other JLT products or services. If you are proposing for or renewing insurance, the information is required pursuant to your duty of disclosure under the Insurance Contracts Act 1984, the Marine Insurance Act 1909 or at common law.

- The information we collect may be disclosed to third parties including but not limited to (re)insurers, insurance intermediaries, service providers, finance providers, advisers, agents and JLT related Group companies.
- By providing the information requested you agree to us collecting, using and disclosing your personal information as outlined in this Collection Statement.
- If you do not provide all or part of the information requested, we may be unable to provide the required services and you may prejudice your insurance cover.
- You have the right to request access to, and correct, any personal information that we hold about you, subject to the provisions of the Privacy Act 1988.
- To assist us in maintaining correct records we ask you to inform us of any changes in your personal information provided, as they occur.
- If you provide us with personal information about other individuals, you must ensure that those persons have been made aware of the above matters. Where the information collected relates to health, criminal record or other sensitive information as defined in the Privacy Act 1988, you must obtain any necessary consents from the person concerned.
- Our Privacy Policy can be made available on request or can be accessed on our website (www.jlta.com.au).
- For further information contact your account executive or the JLT Privacy Officer:

Jardine Lloyd Thompson Pty Ltd,
66 Clarence Street,
SYDNEY NSW 2000
Telephone: (02) 9290 8000

CLAIMS MADE POLICY

This proposal is for a "claims made" 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:

- events that occurred 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;
- claims made, threatened or intimated against you prior to the commencement of the period of cover;
- facts or circumstances 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;
- claims arising out of circumstances noted on the proposal form for the current period of cover or on any previous proposal form.
- However, 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, the policy will, subject to the terms and conditions, cover you notwithstanding that a claim is only made after the expiry of the period of cover.

IF THERE IS ANY PART OF THE ABOVE THAT YOU DO NOT UNDERSTAND OR YOU REQUIRE FURTHER EXPLANATION, PLEASE CONTACT US IMMEDIATELY.

Professional Indemnity Insurance Proposal

IMPORTANT NOTICES

- Please **answer ALL questions** fully. If there is insufficient space please provide details on your letterhead.
- Where provided, **Tick (✓)** appropriate box to indicate answer.
- You can lodge your application by either **facsimile, email or mail** as shown above.
- The Applicant will be referred to in this Proposal as **“You”** or **“Your”**.
- You must ensure that you **Read and Understand** the statutory notices attaching to this proposal form under Important Information.
- A copy of your CV and business description should be attached when submitting this proposal.

DETAILS OF APPLICANT

1. Full Name of Insured:

Commencement date of your business:

Postal Address:

Address:

Contact:

Telephone:

Mobile:

Facsimile:

Email:

Are you a current financial member of BDA? YES NO BDA Membership No.:

2. Please supply the following details:

Names of all Partners / Principals / Directors	Age	Qualifications	Date Qualified	Period Practising as Partner / Principal / Director	
				This Practice	Previous Practice

3. Please supply total numbers of:

- | | | | |
|---------------------------------------|----------------------|--|----------------------|
| (i) Partners / Principals / Directors | <input type="text"/> | (v) Non-technical administrative staff | <input type="text"/> |
| (ii) Professional qualified staff | <input type="text"/> | (vi) Clerical staff - typists, receptionists etc | <input type="text"/> |
| (iii) Other technical staff | <input type="text"/> | (vii) Other staff (please specify) | <input type="text"/> |
| (iv) Trainee Staff | <input type="text"/> | | |

Total all Partners / Principals / Directors and staff (excluding Contractors)

4. Has any other practice or business amalgamated or merged with you?

YES NO

If you have answered YES please supply details

5. (a) Please provide details of the precise nature of activities or business.

A copy of your business or personal CV should also be attached.

(b) Please state the approximate percentage of Your gross income fee for the last financial year derived from the following types of consulting work which You are qualified to perform
(If a new business or operating less than 12 months, please advise estimate for the next 12 months)

Type of Work

a. Feasibility Studies	%
b. Design, documentation drafting, detailing institutional buildings	%
c. Design, drafting, detailing commercial buildings up to 3 stories	%
d. Design, drafting, detailing commercial buildings > than 3 stories	%
e. Design, drafting, detailing domestic buildings up to 3 stories	%
f. Design, drafting, detailing domestic buildings > 3 stories	%
g. Construction Management supervision	%
h. Project Management (excluding Interior Design Project Management)	%
i. Landscape Architecture	%
j. Energy Rating	%
k. Town Planning	%
l. Interior Design	%
m. Architectural Drafting	%
n. Contract Administration	%
o. Other – Please Specify	%

(c) Have you undertaken in the past any activities not already described in questions 5(a) and (b)? YES NO

(d) Do you require cover for your past activities? YES NO

(e) Do you perform work outside of Australia or work for clients located overseas? YES NO

If you have answered YES to 5(c), (d) and (e) please supply full details.

6. (a) Please advise the date of your financial year end:

(b) Please provide the amount of gross income / fees for the following (excluding GST) as disclosed in question 5b:

	Australia	Overseas
Current Financial Year (Estimate 2012/2013):	\$AUD <input style="width: 80px;" type="text"/>	\$AUD <input style="width: 80px;" type="text"/>
Previous Financial Year (Actual 2011/2012):	\$AUD <input style="width: 80px;" type="text"/>	\$AUD <input style="width: 80px;" type="text"/>

(c) Please give a description of the five (5) largest contracts undertaken by you in the last five (5) years?

No.	Year	Nature of Project	Your Role	\$Contract Value	\$ Fee Income
1					
2					
3					
4					
5					

7. 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
%	%	%	%	%	%	%	%	%

8. Do you undertake (or have you previously undertaken) any contract which involves responsibility for:

(i) Manufacture, construction, erection or installation? YES NO

(ii) Supply materials, plant, goods or equipment? YES NO

(iii) Provision of Software? YES NO

If you have answered YES please supply details

9. Has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct?

YES NO

If YES, please supply details:

10. Have any claims for negligence or breach of professional duty been made in the last ten (10) years against the Practice or any of their predecessors in business or any prior Practice of any of their 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?

11. Are any of the Partners, Principals or Directors, AFTER ENQUIRY, aware of any claim or circumstance that might give rise to a claim against the Practice or any prior Practice or any of their present or former Partners, Principals or Directors, which matter is not referred to in Question 9 above?

YES NO

If YES, please provide the following details in respect to each matter.

Name of Claimant or Potential Claimant	Brief Description of Matter	Estimate of Potential Liability

12. Has the Practice, 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.

13. Do you require coverage for a Previous Business?

YES NO

If Yes, please provide the following:

a) Name of principal, partner or director seeking Previous Business cover,

b) Name (s) of previous business (es),

c) Estimate of Gross income for the previous business (es) for the last financial year traded.

d) To the best of your knowledge does the previous business (es) carry their own current Professional Indemnity Policy?

e) Please provide details of the types of professional services offered by the previous business.

14. Has the practice of any principal been a member of any joint venture?

YES NO

If Yes, please provide the following:

a) Description and nature of joint venture project

b) Who are the other joint venture participants

c) Describe the role and/or professional capacity of each joint venture participant

d) What Professional Indemnity insurance arrangements has each joint venture participant made in respect of this project

e) Estimate of Gross income of the insured arising out of the joint venture?

f) Are those fees declared in Question (enter number of main fee income Question)

15. Do you segregate duties so that no one person can control any of the following activities from commencement to completion without referral to others (ie Financial Controller, Directors)?

a) Signing cheques, preparing cheque requisitions or reconciling bank statements YES NO

b) Issuing funds transfer instructions above \$5,000 YES NO

c) Refund of monies or return of goods above \$5,000 YES NO

16. Are you currently insured for Professional Indemnity?

YES NO

If YES, please supply details.

Broker	<input type="text"/>	Limit of Indemnity	<input type="text"/>
Insurer	<input type="text"/>	Policy excess	<input type="text"/>
Expiry Date	<input type="text"/>	Premium	<input type="text"/>

17. Limit(s) of Indemnity required - Limits available (any one claim)

(a) Professional Indemnity (Please tick the relevant box indicating limit required)

\$1 Million \$2 Million \$5 Million Other

Limit: \$ in the annual aggregate (refer to previous/current policy)

(b) Public Liability (OPTIONAL)

\$5 Million \$10 Million \$20 Million Not required

DECLARATION

I, the undersigned, after enquiry declare as follows:

- A I am authorised by each of the other Applicants to make this Proposal.
- B I have read and understood the “Important Notices” on the front of this Proposal.
- C I have read this Proposal and the accompanying documents and acknowledge the contents of same to be true and complete.
- D I understand that, up until a contract of insurance is entered into, I am under a continuing obligation to immediately inform the Insurer of any change in the particulars or statements contained in this Proposal or in the accompanying documents.
- E I confirm that I have a current BDA Membership as at the date of applying for this insurance and will hold Membership during the term of this insurance.
- F I understand the use of information supplied in this application may be shared between JLT Pty Ltd and BDA.

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.

Full Name of Insured: (please print)	<input type="text"/>	ABN:	<input type="text"/>
Signed: Partner, Principal or Director: (circle capacity)	<input type="text"/>	Date:	<input type="text"/>

Note: This proposal form can only be actioned once ALL questions have been answered and the above declaration has been signed and dated. Acceptance is subject to underwriting guidelines.