



Association & Institute Professional Liability Insurance Proposal Form

1. All questions must be answered giving full and complete answers.
2. Please ensure that this Proposal Form is Signed and Dated.
3. All fee or turnover declarations to be in Australian Dollars.

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IMPORTANT NOTICES

“**Proposer**” means the practice, partnership, company (or principal if a sole practitioner) including all partners proposing for this insurance, and any subsidiaries and previous firms (and partners) requiring coverage.

Pursuant to the provisions of the *Insurance Contracts Act 1984*, Underwriters are required to notify you of the following relevant information.

Your Duty of Disclosure

In accordance with the provisions of the *Insurance Contracts Act 1984*, you have a duty to disclose to the Underwriter every matter that you know, or could reasonably be expected to know, that is relevant to the Underwriter's decision whether to accept the risk of the insurance and, if so, on what terms, throughout the duration of this Policy.

This duty does not require disclosure of matters that diminish the risk to be undertaken by the Underwriter, that are common knowledge, or that the Underwriter knows or, in the ordinary course of its business, should know, or as to which compliance with your duty is waived by the Underwriter.

It should be noted that this duty continues until the Policy is entered into with Underwriters, and extends to any renewal, reinstatement, variation or extension to the Policy.

Non-Disclosure

Underwriters may be entitled to either reduce their liability under the contract in respect of a Claim, cancel the contract or avoid the contract from its beginning in accordance with the provisions of the *Insurance Contract Act 1984* if you fail to comply with your duty of disclosure, or if any non-disclosure is fraudulent.

Claims Made

This is a “claims made” policy of insurance, which means that it only covers claims made against an insured and notified to Underwriters during the period of insurance. By operation of Section 40 (3) of the *Insurance Contracts Act 1984*, where the insured gives notice in writing to the Underwriters of 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 but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of any claim arising from those facts, when made, by reason only that it was made after the expiration of the period of the insurance cover provided by the contract.

Retroactive Liability

The policy may be limited by a retroactive date stated in the schedule. The policy does not provide cover in relation to any claim arising from any actual or alleged act, error, omission or conduct that occurs before the commencement of the policy, unless retroactive liability cover is extended by Underwriters.

Average Provision

One of the insuring provisions of the proposed policy provides that where the amount required to dispose of a claim exceeds the limit of indemnity, the insurer shall be liable only for a part of the total costs and expenses which shall be the same proportion of the total expenses as the limit of indemnity bears to the total amount required to dispose of the claim.

Liability Assumed Under Agreement

Cover provided by this form of liability insurance does not cover additional liability which you have agreed to accept unless you would have been so liable in the absence of such agreement.

Utmost Good Faith

In accordance with Section 13 of the *Insurance Contracts Act 1984*, the policy of insurance is based on utmost good faith requiring Underwriter(s) and the proposer/insured(s) to act towards each other with the utmost good faith in respect of any matter relating to the insurance contract.

The above notes are not exhaustive and in no way should be read in isolation of the full policy terms, conditions, limitations and exclusions.

Privacy Notice

In order for Underwriters to provide you with insurance products and the processing of Claims, it is necessary to obtain personal information from you. Underwriters are bound by the provisions of the *National Privacy Principles* as set out in the *Privacy Act (Cwlth) 1988*.

You may elect not to provide Underwriters with this information; however, this may prevent Underwriters from providing you with the products or services sought.

Underwriters may disclose this information to other insurers, re-insurers, an insurance reference service, or other advisers used by Underwriters such as loss adjusters, lawyers or others who may be engaged to assist in Claims handling. These third parties will all be contractually required to adhere to Underwriters privacy obligations.

Should you require access to your personal information, Underwriters may be contacted on (02) 8920 2307

SECTION 1 YOUR DETAILS

(a)	Name of the Association (including any subsidiaries requiring coverage):	
(b)	Date Established:	
(c)	Are you registered for GST?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>Tax Credits Claimed:</i> %
(d)	Main Operating Address:	
(e)	During the last ten years, has the Association changed its name, been part of an amalgamation or merger or in any way had any material change to its activities?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details:</i>
(f)	Website Address: <i>(It is understood and agreed that material in the Association's website is not deemed to form part of this proposal form apart from any information attached in hard copy form to the proposal form)</i>	
(g)	Do the Directors anticipate any material changes to the Association or to its activities in the forthcoming twelve months?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details:</i>
(h)	Is the Association an incorporated body?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, under the provisions of what legislation is it incorporated?</i> <i>If No, what type of organisation is the Association?</i>

SECTION 2 ACTIVITIES

(a)	Full description of the Association's activities (including any activities undertaken in the last six years not currently undertaken and any new activities planned for the next twelve months):	
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SECTION 3 STAFF DETAILS

Total number of:		
(a)	Directors/Office Bearers:	
(b)	Employees (not already accounted for in 3(a) above):	
(c)	Volunteers (not already accounted for in 3(a) and (b)):	

SECTION 4 FINANCIAL INFORMATION

Please provide financial information for the Association as follows:	
(a)	Total Assets:
(b)	Total Liabilities:
(c)	Total gross revenue for last financial year:
(d)	Estimated gross revenue for current financial year:
(e)	Has there been any change in the financial position, capital structure, or operation of the Association since the last annual report was issued that has had a negative impact on the Association's financial position? <input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details:</i>
<u>PLEASE ENCLOSE A COPY OF THE PROPOSERS MOST RECENT CONSOLIDATED ANNUAL REPORT AND ACCOUNTS WITH THE PROPOSAL FORM</u> <input type="checkbox"/>	

SECTION 5 PROFESSIONAL SERVICES

(a)	Does the Association provide (or plan to provide in the next twelve months) any professional services to third parties whether for a fee or not?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(b)	Has the Association ever provided such professional services in the past three years?	<input type="checkbox"/> No <input type="checkbox"/> Yes
<i>If Yes to either 6(a) or 6(b) above, please provide answers to 6(c) and 6(d) below:</i>		
(c)	A full description of each professional service including fees (Annual Gross Income) earned in each case:	
	Professional Service Provided:- (Please Provide Description In Each Case)	Last 12 Months
		Next 12 Months (Estimated)
	(i)	
	(ii)	
	(iii)	
	(iv)	
	Total Fee Income Earned	
(d)	Please state the Proposer's Gross Revenue for the last 12 months by source region:	
	Source Region:	Gross Revenue (Last 12 Months)
	(i) Australia	
	(ii) USA / Canada	
	(iii) Elsewhere (list below)	
	Location:	
	Location:	
	Location:	
	(iv) Total Income Earned	
(e)	STAMP DUTY	
	Please provide a percentage breakdown of the revenue by State or Territory:	
	NSW %	VIC %
	QLD %	SA %
	NT %	WA %
	ACT %	TAS %
	O'SEAS %	TOTAL %

SECTION 6 PROCEDURES

(a)	Have the Directors set up a clearly defined management committee or executive to manage and control the activities of the Association ?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide details:</i> <i>If No, please provide details of how the Association is controlled and managed:</i>
(b)	Does such management committee, executive or the like meet at least quarterly?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please advise how often it meets:</i>
(c)	Is there a clearly defined control mechanism in place to ensure that Association expenditure is in line with budgeted expenditure and in line with the Association's governing document (e.g. Trust Deed, Constitution or Memorandum and Articles of Association)?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(d)	Are all cheques and money transfers paid by the Association in excess of \$5,000 subject to at least two authorised signatures?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not including details of sole signature limit and authorised sole signatories:</i>
(e)	Is there a clearly defined control mechanism in place to ensure that any money and gifts donated to the Association are recorded, banked and reconciled independently within at most seven days of receipt?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>

SECTION 7 PROCEDURES OF THE DIRECTORS

(a)	Do the Directors ensure that full records are kept in respect of the Association's investments and that they are kept in a secure place?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(b)	Do the Directors review at least annually the investment policy and investment performance of the Association where applicable?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please advise how often such review is undertaken:</i>
(c)	Do the Directors review at least every third year, the appointment of professional investment advisors and auditors where applicable?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please advise how often such review is undertaken:</i>
(d)	Are all new Directors instructed to read and understand the Association's governing document (e.g. Trust Deed, Constitution or Memorandum and Articles of Association)?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>

SECTION 8 INSURANCE DETAILS

(a)	Please provide details of the Association's current Association Liability Insurance policy:					
	Insurer	Expiry Date	Limit	Excess	Retro-Active Date (If Any)	Premium
(b)	Has the Association ever been refused similar insurance, or had any policy cancelled or voided at any time?			<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details:</i>		
(c)	Cover Required – Please state:			Limits Required	Desired Excess	

SECTION 9 MEMBERSHIP DETAILS

(a)	Does the Association have a subscribing annual membership?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide answers to (b) – (o) below.</i>
(b)		
(i)	Total current membership:	
(ii)	Total annual income generated by membership subscriptions:	
(c)	Does the Association provide the membership with guidance documentation, information, instructions or directives in the form of circulars, periodicals or other such literature?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, is all such information satisfactorily reviewed by a solicitor prior to release?</i> <i>If No, please provide details of what checks the Association undertakes:</i>
(c)	Does the Association provide a regulatory function?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(d)	Can the Association impose fines or penalties on its members, or restrict the members' ability to trade in any way?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes to either 10(d) or 10(e), please answer 10(f) – 10(k) below.</i>
(e)	Does the Association publicise such member non-compliance?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(f)	How many members in the last five years have been fined, penalised or restricted in any way as described under 10(e) above by the Association ?	
(g)	Is there a clearly defined appeal process in place and is such process advised to all members?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(h)	Does the Association have a disciplinary committee which meets at least every quarter?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>

(i)	Is any regulatory or discipline related decision involving members sanctioned by at least three Directors of the Association prior to actioning such decision?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(j)	Has the Association's regulatory and disciplinary procedures been reviewed and approved by a solicitor?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(k)	Are all members provided with up to date Rules and Regulations as soon as they are made reasonably available?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(l)	Does the Association review at least every five years its Rules and Regulations?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>
(m)	Does the Association recommend or refer their members to third parties?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If Yes, please provide full details:</i>
(n)	Does the Association provide a written statement to its members of the extent of its role, duties and benefits with regard to its members and does such written statement make it clear that the Association will not be liable beyond such role, duties and benefits?	<input type="checkbox"/> No <input type="checkbox"/> Yes. <i>If No, please provide reasons why not:</i>

SECTION 10 SUB CONSULTANTS

(a)	Does the Association (or has it in any of the last six years or plan to in the next twelve months) engage sub-consultants, or undertake any contracts where they become contractually responsible for the services of any sub-consultant?	<input type="checkbox"/> No <input type="checkbox"/> Yes. If Yes, please answer (b) & (c) below.
(b)	Is there a clearly defined procedure in place to ensure that any such sub-consultant is:	
(i)	Engaged on contractual terms that are at least as onerous as the contractual terms under which the Association has been engaged?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(ii)	Professionally competent to undertake the work in question?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(iii)	Adequately insured to cover any liability that is likely to arise in respect of the work in question?	<input type="checkbox"/> No <input type="checkbox"/> Yes
	If No to any of 11(b)(i) – (iii) above, please answer the following question (iv):	
(iv)	What procedures are in place to manage and control the appointment of sub-consultants by the Association ?	
(c)	What is the minimum Professional Indemnity Insurance limit that the Association accepts for its sub-consultants to carry?	\$

SECTION 11 CLAIMS

Professional Indemnity Insurance is underwritten on a 'claims made' basis and the Underwriters will exclude any claim and/or circumstance which may give rise to a claim, which is known by the Proposer (s) prior to the inception date of the policy. Please provide answers to the following questions after making full enquiry of all principals, partners, directors and employees.

(a)	Have any civil liability claims ever been made against any Director , whether successful or otherwise?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(b)	Have any civil liability claims ever been made against the Association , whether successful or otherwise?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(c)	Have any claims for dishonesty ever been made against any Director or employee, whether successful or otherwise?	<input type="checkbox"/> No <input type="checkbox"/> Yes
(d)	Have any claims for dishonesty ever been made against the Association , whether successful or otherwise?	<input type="checkbox"/> No <input type="checkbox"/> Yes

(e)	Have any complaints or investigations ever been made or undertaken against any Director , employee or the Association ?	<input type="checkbox"/> No <input type="checkbox"/> Yes		
(f)	Has any Director of the Association ever had a document relating to the Association's activities unintentionally destroyed, damaged, lost or mislaid?	<input type="checkbox"/> No <input type="checkbox"/> Yes		
(g)	Has any Director or the Association ever suffered any losses due to dishonesty of any employee, Trustee or any other person or organisation?	<input type="checkbox"/> No <input type="checkbox"/> Yes		
(h)	Has any Director or the Association ever been subject to judicial review (or similar review) of the lawfulness of any enactment, decision, action or failure to act?	<input type="checkbox"/> No <input type="checkbox"/> Yes		
(i)	After full enquiry is the Association or any Director aware of any circumstances relating to the questions 12(a) to 12(h) above which may give rise to a potential claim or request for indemnity under the professional liability policy?	<input type="checkbox"/> No <input type="checkbox"/> Yes		
Detail Of Claim / Circumstance	Incident Date	Amount Claimed \$	Insurer Reserve /Paid** \$	Closed (Y/N)*
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes
				<input type="checkbox"/> No <input type="checkbox"/> Yes

**Please advise whether the Underwriters closed their file in each case. ** - includes damages (or amount paid in settlement of a claim for damages), claimant's costs, costs paid to any other party, and defence/investigation costs.*

SECTION 12 DECLARATION

I/We declare that the above answers, statements, particulars and additional information are true to the very best of the knowledge and belief of the **Proposer**. After full enquiry, I/We also confirm that I/We have disclosed all information and material facts that may alter the Underwriters' view of the risk, or affect their assessment of the exposures they are covering under the policy. I/We understand that all answers, statements, particulars and additional information supplied with this proposal form will become part of and form the basis of the policy.
I/We acknowledge that we have read and understood the content of the **Important Notice** contained in this proposal.

Signed:

Date:

Position:

For and/on behalf of the Proposer:

Name in capital letters (printed):

Continuation