

PROFESSIONAL INDEMNITY ENGINEERS & ARCHITECTS PROPOSAL FORM

In accordance with the provisions of the Insurance Contracts Act 1984 insurers are required to advise you of your responsibilities in relation to the disclosure of relevant 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. You have the same duty to disclose those matters to the insurer before you renew, vary or reinstate a contract of general insurance.

Your duty however does not require disclosure of any matter:

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

Your duty of disclosure also applies when you amend or vary a contract in any way.

PLEASE TAKE NOTICE OF THE FOLLOWING STATEMENTS PURSUANT TO THE PROVISIONS OF THE INSURANCE CONTRACTS ACT 1984.

1. CLAIMS MADE

This is a claims made insurance contract, i.e. it only covers claims made against you and notified to insurers during the period of insurance. The Insurance Contracts Act 1984 provides that if you give us a notice in writing of 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 contract expires**, we are not relieved of liability under the contract in respect of a claim arising from those facts, by reason only that the claim was made against you after the contract expires.

2. RETROACTIVE LIABILITY

The contract does not provide cover in relation to events that occur before the commencement of the contract unless retroactive liability cover is requested in this proposal form AND THE CONTRACT IS EXTENDED accordingly.

3. AVERAGE PROVISION

One of the insuring provisions of the Professional Indemnity Contract of Insurance provides that where the amount required to dispose of a claim exceeds the limit of the sum insured in the contract 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 contract limit bears to the total amount required to dispose of the claim.

4. LIABILITY ASSUMED UNDER AGREEMENT

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

5. UTMOST GOOD FAITH

The insurance contract is based on the utmost good faith requiring the insurer(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.

*Resource Underwriting Pacific Pty Ltd is conscious of its obligations under the **privacy** legislation and regulations relating to the way we can collect, use, keep secure and disclose personal information. We have developed a privacy policy which explains what sort of personal information we hold about you and what we do with that information.*

*Resource Underwriting Pacific Pty Ltd is also conscious of its obligations under the **General Insurance Code of Practice** (the Code) and is committed to complying with the Code's service standards in our dealings with you including the management of any complaint or dispute which might arise.*

Please contact your Insurance Broker to obtain a copy of Resource Underwriting Pacific Pty Ltd's privacy policy or for further information about the Code. A copy of our privacy policy or further information about the Code may also be obtained from our offices in Melbourne or Sydney or from our website at www.ruppl.com.au

This proposal form must be completed by clearly printing in ink by a Partner, Principal or Director of the Firm or Company. All Questions must be answered to enable a quotation to be given. The completion and signature of this proposal does not bind the proposers or insurers to complete a contract of insurance.

If there is insufficient space to answer questions, please continue on your headed notepaper and attach it to this form.

Please provide a brochure, if possible and any standard contract terms, conditions, agreements or letters of appointment which you have with your clients.

1. (a) Name of Firm, Company or Sole Practitioner. (It is essential that you specify the names of all Entities, including Service Companies, that you wish to be included under this insurance cover):

(b) Date the Firm/Company/Practice was established:

(c) Address(es) of the Firm, Company(ies) (specifying which Partner, Principal or Director is responsible at each location):

(d) website: _____ e-mail address: _____

(e) Names of any previous Entities requiring cover, and relationship to current Entity(ies), and the dates on which they ceased business:

2. (a) Particulars of all Principals/Partners/Directors:

Name of Principal/ Partner/Director	Age	Qualifications	Years practising as Principal/Partner/Director		Disciplines Undertaken
			Current Business Practice	Previous Business Practice(s)	

If less than 5 years experience in this occupation, give details of previous occupations:

(b) Is the Firm, Company or any Partner/Principal/Director a member of a Professional Body or Association?..... Yes No

If Yes, please give details and membership status:

(c) (i) Has your name ever been changed?..... Yes No

(ii) Has any other Practice or Business amalgamated or merged with you?..... Yes No

(iii) Have you purchased any other Practice or Business? Yes No

If Yes in any case, please give details by way of attachment.

(d) Please list those past Partners, Directors or Principals of the Firm or Company for whom cover is required and the date that they left the business:

3. Please give total numbers of Staff excluding Principals/Partners/Directors:

(a) Qualified Engineers

(b) Qualified Architects

(c) Draughtsmen or Technicians

(d) I.T. Technicians

(e) Trainee Staff

(f) Non Technical Staff

(g) Other Professional Qualified (please specify)

Total _____

4. (a) Details of all Technical staff (referred to in 3.(a),(b),(c),(d),(e) & (g)) employed to carry out the professional duties listed in Q 3.

Technician	Age	Qualifications	Date Qualified	Time with Proposer	Disciplines Undertaken

(b) Does a Qualified Principal /Partner sign off on the work undertaken by the Technical staff listed in Q 4. Yes No
If No, please detail why not and the risk management procedures in place to deal with Technical staff errors.

5. Please give a clear description of your activities in full.

(a) Services provided for a fee or attracting a professional fee component: _____

(b) Any other activities _____

6. Division of Work.

In which of the following branches of consultancy work is your firm engaged and what percentage of your income is derived from?

(a) Civil Engineering	%
(b) Structural Engineering	%
(c) Mechancial Engineering	%
(d) Electrical Engineering	%
(e) Heating and Ventilating Engineering	%
(f) Chemical Engineering	%
(g) Soil Engineering	%
(h) Nuclear Engineering	%
(i) Architecture	%
(j) Landscape Architecture	%
(k) Interior design	%
(l) Material Testing & Inspection Services	%
(m) Drafting	%
(n) Town Planning	%
(o) Land Surveying	%
(p) Quantity Surveying	%
(q) Building Surveying	%
(r) Marine Surveying	%
(s) Project Management	%
(t) Construction Management	%
(u) Design & Construction	%
(v) Prepurchase Inspection	%
(w) Other (please specify)	%

7. Please detail the approximate percentage of your work in the following areas:

	Field of Work	Percentage
(a)	Individual Dwellings	%
(b)	Low Rise Buildings (up to 3 floors)	%
(c)	High Rise Buildings (above 3 Floors)	%
(d)	Schools, Hospitals, Municipal Buildings & Recreation Centres	%
(e)	Modular Buildings (involving repetitive design)	%
(f)	Feasibility Studies, Investigations or reports (but excluding Environmental)	%
(g)	Supervision of Construction	%
(h)	Domestic Surveying – individual dwelling set outs & boundary surveys	%
(i)	Small Industrial & Commercial Surveys (Projects up to \$1million in value)	%
(j)	Medium Industrial & Commercial Surveys (Projects from \$1million to \$5 million in value)	%
(k)	Large Industrial & Commercial Surveys (Projects over \$5 million in value)	%
(l)	Road works Surveys	%
(m)	Engineering Surveys	%
(n)	Photographic Surveys	%
(o)	Bridges/Tunnels	%
(p)	Mines	%
(q)	Harbours & Jetties (but excluding Hydrographic Surveys)	%
(r)	Soils Testing & Foundation investigation including control of earthworks	%
(s)	Foundations & underpinning (both excluding investigations for foundations)	%
(t)	Sewerage or water systems	%
(u)	Marine Surveys	%
(v)	Nuclear or Atomic Projects	%
(w)	Heating, Ventilation, Air Conditioning, Hydraulic & Plumbing	%
(x)	Oil & Gas Pipelines	%
(y)	Petrochemicals, Refineries, Fertilizers, Ammonia Urea Plants	%
(z)	Structures at fairs, shows and exhibitions	%
(aa)	Mechanical Plant and Bulk Handling equipment including silos	%
(ab)	Environmental Appraisals/Impact Assessments	%
(ac)	Risk and Hazard Assessments	%
(ad)	Hazardous Chemical Substances	%
(ae)	Design of Pollution Control Equipment	%
(af)	Environmental Programme Design (Management Processes, Monitoring)	%
(ag)	Bio Physical Studies	%
(ah)	Environmental Audits	%
(ai)	Waste Disposal, Treatment or management	%
(aj)	Contaminated Site Clean Up	%
(ak)	Underground Storage facilities	%
(al)	Acoustics & Noise Prevention	%
(am)	Town Planning	%
(an)	Other (Please specify)	%

8. Please state the gross income received for the last financial year and an estimate for the next financial year:

	Income	Current Financial Year	Estimate next Financial
(i)	Total Gross Fees (This should include Sub-Contractors fees)	\$	\$
(ii)	Overseas Fees, Excl. U.S.A. – Canada	\$	\$
(iii)	Fees of Projects in U.S.A.	\$	\$
(iv)	Fees paid to sub-contractors	\$	\$
(v)	Total Construction Values	\$	\$

9. 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
%	%	%	%	%	%	%	%	%

10. (a) Please give details of turnover:

Function	Current Financial Year	Estimate next Financial Year
(i) Turnover where the Proposer designs and constructs from their own design and provides full technical supervision.	\$	\$
(ii) Turnover where the Proposer constructs and provided full technical supervision from designs by sub-contractors appointed by the Proposer, or others for whom the Proposer is responsible.	\$	\$
(iii) Fees earned where the Proposer provides only design services and/or technical supervision. (please state which)	\$	\$
(iv) Fees where the Proposer provides any other professional service not included in the above (please specify). _____	\$	\$
(v) Turnover where the Proposer has work for which no professional input is required (e.g. construction only activities) and as such is not covered by this proposed insurance (please specify). _____	\$	\$

NOTE: the term "technical supervision" is not intended to extend to the supervisory activities which under a traditional form of contract would be the responsibility of the contractor, and not the professional team.

(b) What is the largest annual income earned from a single client in the last 12 months? \$ _____
 Name of Client _____

11. (a) Does the Firm, Company or Sole Practitioner perform work outside Australia, or work for clients who are outside Australia?
 Yes No

If Yes, please give details (i.e. work performed, countries involved and fee income of each):

Country	Activity	Project Duration	Project Turnover	Project Fees

(b) Please give the percentage of your activities (based on fee income) applicable to Australia and Overseas:
 Australia..... %Overseas _____ %

12. Please state the 5 largest contracts where construction began during the past 5 years and where Professional Services were provided by the Proposer;

Type of Contract	Location	Professional Role	Contract Value	Date Commenced	Date Completed	Total fees earned and/or total fees expected to be earned
1.						
2.						
3.						
4.						
5.						

13. Does the Proposer construct, manufacture or provide advice, design or services for or in connection with prototypes or innovative designs or products? Yes No

If Yes please provide details by way of attachment if necessary.

14. Does the Proposer supply or manufacture any goods or materials in connection with any work. Yes No

If Yes please provide details by way of attachment if necessary.

15. Do you envisage any substantial changes in your activities or are there any major new operations contemplated during the next 12 months? Yes No

If Yes, please give details by way of attachment.

16. Are you or any Partner/Director/Principal connected or associated (financially or otherwise) with any other Practice or Business, other than in reply to question 1. (a) and (e)? Yes No

If Yes, please give details by way of attachment.

17. Contractors/Sub-contractors

(a) Is any portion of your work sublet to others? Yes No

If yes, please give details of the nature of work performed by each contractor/sub-contractor.

(b) Do you require contractors/sub-contractors as a condition of their appointment to maintain adequate insurance to indemnify you with respect to liabilities caused by their negligence? Yes No

(c) Please state the Gross Professional Fees paid to consultants, contractors, sub-contractors and agents during the past 12 months.

..... \$ _____

(d) Are full rights of recourse maintained against sub-contractors, consultants and product suppliers? Yes No

18. Does any contract or client represent more than 25% of your annual work? Yes No

If Yes, please give details by way of attachment if necessary.

19. (a) Are written disclaimers included with advice being given? Yes No

If Yes, please provide example.

(b) Do you give oral reports? Yes No

If Yes, how do you record your spoken words?

20. Has any insurer ever:

(a) declined to offer Insurance of any type for this Firm, Company or Sole Practitioner or for any Partner, Director or Principal?

..... Yes No

(b) imposed any special terms on this Firm, Company or Sole Practitioner or any Partner, Director or Principal? Yes No

(c) cancelled or voided any Insurance held by this Firm, Company or Sole Practitioner or any Partner, Director or Principal?

..... Yes No

21. Have you or any Partner/Principal/Director/staff member ever been subject to disciplinary proceedings for professional misconduct?

..... Yes No

If Yes, please give details by way of attachment if necessary.

22. (a) During the past ten years has any claim been made, or has liability for an error or breach of duty been alleged against the Firm, Company or Sole Practitioner or any of their predecessors in business or any prior Entity or any of their present or former Partners, Directors, Principals, Consultants, or Employees; or have any circumstances been notified to insurers which may result in a claim?..... Yes No

If Yes, please provide the following details in respect of each matter:

Year of Notification	Name of Insurer (if any)	Name of Claimant	Nature of Problem	Amount Paid or Estimated Potential Liability	Is Matter Finalised or Outstanding?

- (b) Are any of the Partners, Directors, Principals or Employees AFTER FULL INQUIRY, aware of any circumstances which may give rise to a claim against the Firm, Company or Sole Practitioner, its predecessors in business or any past or present Partner, Director, Principal, Consultant, or Employee?..... Yes No

If Yes, please give full details by way of attachment if necessary.

23. (a) Does the Firm/Company/Sole Practitioner currently hold Professional Indemnity Insurance?..... Yes No

- (b) If the answer to (a) is No has the Firm/Company/Sole Practitioner ever held such insurance?..... Yes No

- (c) If the answer to (a) or (b) is Yes please supply the following data:

Amount of Cover.....\$ _____ Amount of Excess \$ _____

Last Annual Premium.....\$ _____ When lapsed or expiry date _____

Name of Insurer and Broker _____

24. (a) What amount of indemnity is required? (i) _____ (ii) _____

- (b) What excess are you prepared to carry in respect of each and every claim? (i) _____ (ii) _____

25. Indicate the extensions required: (Optional)

- (a) Outgoing Principals..... Yes No (c) Joint Ventures Yes No

- (b) Previous Business..... Yes No

If you have answered Yes to any of the above, please provide further details by way of attachment if necessary.

26. Please give details of Partners, Directors or Principals:

- (a) who have joined the Firm/Company and from what previous Firm/Company.

- (b) who have retired and for whom the Q.25(a) extension is required including date of retirement from the Firm/Company.

27. The answers you have provided to the above questions will usually provide sufficient information for a proper consideration of the proposal. However, if there are any matters which are material to the risk to which this Proposal relates, you should disclose such matters to us in the space below, or on a separate sheet if necessary.

DECLARATION

I/WE declare that we have read the important notices contained in this form and I/WE understand those notices. I/WE declare that the statements and particulars in this proposal are true and that I/WE have not misrepresented or suppressed any material facts. I/WE undertake to inform insurers of any material alteration to these facts whether occurring before or after completion of the Contract of Insurance.

I/WE hereby acknowledge that the insurance cover will be provided in whole or in part by overseas insurers.

SIGNED: _____
(By a Principal on Behalf of the Company and all other Principals)

DATED: _____
(Signing of this Proposal Form does not bind the Company or Underwriters to complete the insurance)

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