



## Professional Indemnity Insurance Accountants Proposal form



### IMPORTANT NOTICES TO THE APPLICANT

#### COMPLETING THIS PROPOSAL FORM

This proposal forms the basis of any insurance contract entered. Please complete it fully and carefully, remembering to sign the declaration. If you have insufficient space to complete any of your answers, please attach a signed and dated addendum. Any documents attached to the proposal will form part of the proposal. If you have any doubt over the questions or completing this proposal, please contact your insurance agent, as any non-disclosure may affect your right of recovery under this policy.

#### CLAIMS MADE COVER

This policy is issued by Delta Insurance Australia Pty Ltd ('Delta', 'we', 'our' or 'us') on a claims made and notified basis. Accordingly, this Policy will only apply to claims first made during the Policy Period or Extended Reporting Period, if applicable, and notified to Delta in writing during the Policy Period or Extended Reporting Period, if applicable. This Policy may not provide cover for any claims or Events made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those claims being made against you.

Section 40(3) of the Insurance Contracts Act 1984 (Cth) applies to this type of policy. It provides that where the insured becomes aware of any facts that might give rise to a claim against the insured, provided that the insured notifies the insurer in writing of those facts as soon as reasonably practicable after the insured becomes aware of those facts before the Policy Period expires, the insurer is not relieved of liability under the contract in respect of a claim which arises out of those facts, merely because when the claim is made, it is made after the Policy Period has expired.

#### INSURED'S DUTY OF DISCLOSURE

Section 21 of the Insurance Contracts Act 1984 (Cth) provides that before you enter into an insurance contract, you have a duty to tell the insurer anything that you know, or could reasonably be expected to know, that may affect the insurer's decision to insure you and on what terms. You have this duty until the insurer agrees to insure to you. You have the same duty to disclose before you renew, extend, vary or reinstate an insurance contract.

However, you do not need to tell the insurer anything that:

- reduces the risk the insurer insures you for; or
- is common knowledge; or
- the insurer knows or should know as an insurer; or
- the insurer waives your duty to tell the insurer about.

#### IF YOU DO NOT TELL THE INSURER SOMETHING

If you do not tell the insurer anything you are required to, the insurer may cancel your contract or reduce the amount the insurer will pay you if you make a claim, or both.

If your failure to tell the insurer is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

#### UNUSUAL TERMS

Please note General Condition 6.11 which prevents the insurer from providing cover, benefits or paying claims where that would expose the insurer to sanctions, prohibitions or restrictions.

## **PRIVACY**

Delta Insurance Australia Pty Ltd is committed to protecting your privacy. We have adopted the Australian Privacy Principles (APPs) contained in the Privacy Act 1988 (Cth) (Privacy Act). The APPs govern the way in which we collect, use, disclose, store, secure and dispose of your Personal Information.

Any Personal Information we collect about you will only be used for the purposes indicated in our Privacy Policy and only in the instance you have provided us with your consent or as otherwise required by law.

Delta Insurance Australia will need to collect personal information from you or your insurance agent to assist with assessing your risk in order to provide the insurance that you are applying for.

## **USE OF YOUR INFORMATION**

The information collected will be used for the purpose in assisting us with underwriting and administering your insurance cover on behalf of the Insurers we represent. Where reasonable and practicable to do so, we will collect your Personal Information only from you. To verify your identity, we may obtain or verify your Personal Information from a third party.

Information collected can also be used towards improving Delta Insurance Australia's customer service, product data research analysis and to advise you of any other products and services that may be of interest to you.

## **SECURITY OF YOUR INFORMATION**

Your Personal Information is stored in a manner that reasonably protects it from misuse and loss and from unauthorised access, modification, or disclosure.

When your Personal Information is no longer needed for the purpose for which it was obtained, we will take reasonable steps to destroy or permanently de-identify your Personal Information. However, most of the Personal Information is or will be stored in client files which will be kept by us for a minimum of 7 years.

Whilst underwriting and reviewing your policy, we may share your information with your insurance agent, claims assessors, and to third party administrators providing related services to your insurance policy. Your information will be provided to the Insurer's we represent, and whose details we will provide to you when issuing an insurance quotation.

By providing Delta Insurance Australia with your Personal Information, you are consenting to the collection, use, disclosing and or processing of your personal data for the purposes as described above.

## **FURTHER INFORMATION**

We understand that you may not want to share with us the information which is requested to review your insurance policy, and this may affect our ability in providing and assessing an insurance policy.

For more information regarding how we collect, store, use and disclose your information, please read our privacy policy located at [www.deltainsurance.com.au](http://www.deltainsurance.com.au) or alternatively you can contact us at [contactus@deltainsurance.com.au](mailto:contactus@deltainsurance.com.au).

Delta Insurance Australia Pty Ltd (ABN 83 652 033 933) is an Authorised Corporate Representative (CAR 001296353) of DIA Licence Pty Ltd (ACN 654 160 513) AFSL 535427

**APPLICANT DETAILS**

- 1. Name of Applicant (including Subsidiaries to be insured):
  
  
  
  
  
- 2. ABN:
- 3. Principal Address:
- 4. Year Established:
- 5. Website Address:
- 6. During the past five years have any of the entities changed their names, or has there been any other business purchased e.g., merger or consolidation taken place?  Yes  No  
If yes, please provide details:
  
  
  
  
  
- 7. Does the applicant have an Australian Financial Services Licence?  Yes  No

**FINANCIAL INFORMATION**

8. Please provide the following fee income split:

Country	Last Financial Year AUD (actual)	Current Financial Year AUD (projected)
Australia	\$	\$
New Zealand	\$	\$
Asia	\$	\$
UK & Europe	\$	\$
USA & Canada	\$	\$
Rest of the World	\$	\$

- 9. Does any single customer account for more than 25% of the Applicant’s annual turnover?  Yes  No

**BUSINESS DETAILS**

10. Please outline the nature of the Applicant’s business including a full description of activities and in particular those activities where the applicant provides professional advice or opinion which may be relied upon by a third party:

11. Please provide the percentage of business activities derived from:

Activity	%
Audit of not-for-profit, individuals and private companies	%
Audit of listed Companies	%
Audit of Self-Managed Super Funds	%
Audit of Financial Institutions	%
Audit of public companies other	%
Accounts Preparation	%
Bookkeeping & BAS Agent	%
Business Valuations	%
Business broking	%
Company Directorships / Secretarial Positions	%
Computer consulting	%
ESG Consulting	%
ESG consulting for public and listed companies	%
Forensic Accounting	%
Investment advice/ investment management/financial planning/securities dealing	%
Insurance Agency	%
Management consultancy	%
Mergers & Acquisitions	%
Receiverships / Liquidations/ Insolvency	%
Superannuation Funds Management	%
Taxation for individual	%
Taxation for private and unlisted companies with revenue under \$2m	%
Taxation for private and unlisted companies with revenue above \$2m	%
Taxation for listed companies	%
Other: (please provide details of other activities)	%
<b>Total must equate to 100% of activities</b>	<b>%</b>

12. Does any principal, partner or director of the Insured detailed in answer question 1 of the proposal have any connection or association (financially or otherwise) with any other business practice?  Yes  No

13. Does any single client represent more than 25% of total activities?  Yes  No

14. Does the applicant anticipate any substantial changes in business activities in the next 12 months?  Yes  No

If yes to any questions 12 to 14 please provide details below:

**STAFF INFORMATION**

15. Please provide number of staff in each applicable category:

Category	No. of Staff
Principals, Partners & Directors	
Qualified Staff (excl principal, partners & directors)	
Administrative & Clerical	
Other (please specify):	

16. Please provide the following details in respect of all principals, partners, and directors:

Name	Professional Qualifications	Years as principal, partner or director of the business

**CUSTOMER CONTRACT ARRANGEMENTS**

- 17. Does the Applicant use a standard contractual agreement for the supply of your professional services?  Yes  No
- 18. Does the Applicant use standard contracts for the engagement of independent consultants or contractors?  Yes  No
- 19. Are non-standard contracts reviewed by legal counsel?  Yes  No
- 20. Are consultants & contractors required to cover their own professional indemnity insurance?  Yes  No
- 21. What percentage of fee income is paid to consultants or contractors? %
- 22. Please provide a brief description of the three highest value contracts currently held:

Name of Client	Brief Description	Contract Value (AUD)
		\$
		\$
		\$

**RISK MANAGEMENT INFORMATION**

- 23. Does the applicant have a formal documented risk management program?  Yes  No  
 If yes, is this made available / communicated to all employees?  Yes  No
- 24. Are verbal reports confirmed in writing?  Yes  No
- 25. Does the applicant have formal procedures in place for the identification and reporting of incidents or circumstances which may give rise a professional indemnity claim?  Yes  No

**STAMP DUTY**

26. Please provide the approximate percentage of revenue / turnover applicable to each state or territory:

NSW	VIC	QLD	SA	NT	WA	ACT	TAS	O/S	Total

27. If operations are undertaken in NSW, is the Applicant eligible for Stamp Duty Exemption?  Yes  No

**If yes, please supply a copy of the Stamp Duty Exemption.**

**COVER REQUIRED**

28. Professional Indemnity limit:

<b>Limit of Indemnity</b>	<input type="radio"/> \$1m	<input type="radio"/> \$2m	<input type="radio"/> \$5m	<input type="radio"/> \$10m	<input type="radio"/> Other (specify): \$
<b>Retention</b>	<input type="radio"/> \$1,000	<input type="radio"/> \$2,500	<input type="radio"/> \$5,000	<input type="radio"/> \$10,000	<input type="radio"/> Other (specify): \$

29. General Liability Limit:

<b>Limit of Indemnity</b>	<input type="radio"/> \$10m	<input type="radio"/> \$20m	
<b>Retention</b>	<input type="radio"/> \$5,000	<input type="radio"/> \$10,000	<input type="radio"/> Other (specify): \$

**OPTIONAL FIDELITY AND DIRECTOR, OFFICER, PARTNERS PRINCIPALS PREVIOUS BUSINESS**

30. Do you require cover for:

- (a) Fidelity?  Yes  No
- (b) Partners Previous Business?  Yes  No

31. If cover is required for fidelity, please complete the following questions:

- (a) Does the applicant always obtain satisfactory references before hiring employees?  Yes  No
- (b) Are more than one member of staff required to sign for the issuing of any cheques, handling of cash and electronic payments?  Yes  No
- (c) Are bank reconciliations conducted by someone who is not authorised to deposit or withdraw from the bank accounts?  Yes  No

32. If cover is required for Partners Previous Business please advise:

Names of Principal/Partner/Director	Name of Previous Practice	Period Practicing as a Principal/ Partner/Director
		\$
		\$
		\$

**INSURANCE HISTORY**

33. Has the Applicant ever had any insurance declined or cancelled, renewal refused, special conditions imposed, or a claim rejected?  Yes  No

If yes, please provide details:

34. Please provide details of the Applicant’s current Professional insurance coverage:

Current insurer: Expiry Date:  
 Limit of indemnity: \$ Retention: \$ Retroactive date:

**CLAIMS HISTORY**

- 35. Has a claim, proceeding or demand been made or brought against the Applicant or any of its directors, officer, or employees in the last five years (whether insured or not)?  Yes  No
- 36. Have the Applicant or any of its directors, officers or employees been the subject to any regulatory, administrative or governmental investigation in the last five years (whether insured or not)?  Yes  No
- 37. Have any crime losses been sustained by the Applicant in the last five years?  Yes  No
- 38. Is the Applicant, after enquiry, aware of any act, error, omission, event, circumstance, or incident which may give rise to a claim, proceeding or demand, or any regulatory, administrative or governmental investigation or crime loss?  Yes  No

If Yes, to any of the above, please provide details as well as a copy of your claim’s history if applicable:

**DECLARATION**

I as the authorised undersigned partner, principal, or director, after full enquiry declare as follows:

- (a) I am authorised by all Applicants to make this proposal.
- (b) I have read and understood the duty of disclosure, located at the front of this proposal form.
- (c) I have read and understood this proposal and any accompanying documentation, and acknowledge the contents herein are true and accurate.
- (d) I understand that, up until a contract of insurance is entered into, I am under an ongoing obligation to immediately inform Delta Insurance Australia of any change in the facts or statements contained in this proposal form or in the accompanying documentation.
- (e) I understand that should information provided be misleading or fraudulent, the contract may be voided in its entirety as per the Insurance Contracts Act 1984.

I agree although the signing of this proposal does not bind the underwriter to effect insurance, I acknowledge that the particulars and statements contained in this proposal and in the accompanying documentations shall be the basis of the insurance contract should a policy be effected; and further, I acknowledge that the proposal and the accompanying documentation will be incorporated in such policy.

Full Name:

Title:

Signature:

Date: