

# PROFESSIONAL INDEMNITY PROPOSAL FORM



PROFESSIONAL RISKS

YOUR DUTY OF DISCLOSURE

You must tell us all information you know (or could reasonably be expected to know) which would influence the judgement of a prudent underwriter whether or not to accept your application, and if it is accepted, on what terms and at what cost.

- Examples of information you may need to disclose include:**

  - anything that increases the risk of an insurance claim;
  - any criminal record;
  - if another insurer has cancelled or refused to renew insurance, or has imposed special terms;
  - any insurance claim you have made in the past.
- Examples of information you do not need to disclose include:**

  - anything that reduces the risk of an insurance claim;
  - anything we say you do not need to tell us about;
  - anything that is common knowledge;
  - anything you have already told us, or that we should be expected to know in the ordinary course of our business.

These examples are a guide only. If you are not sure whether you need to disclose a particular piece of information, please ask.

**WHEN IN DOUBT – DISCLOSE. ALL INFORMATION WILL BE TREATED CONFIDENTIALLY.**

Answer all questions. Blanks and/or dashes, or answers ‘known to underwriters or brokers’ are not acceptable and will delay consideration of this proposal.

If there is insufficient room to complete a question, please attach a signed and dated addendum.

Any documents attached to the proposal form are part of this proposal.

Where appropriate, please tick the yes or no box which best indicates your reply.

YOUR DETAILS

1. Name

Full legal name of each natural person and incorporated body to be insured as well as any unincorporated business or trading names.

(a) Date(s) of Commencement

(b) If less than 5 years, please provide a resumé of partners/directors prior experience.

2. Address

(a) Principal Address:

(b) Other Locations:

Phone: Facsimile:

Mobile: Email Address:

Website Address:

## 3. Principals' previous business (incoming):

Trading name of any prior professional business practice conducted by a Principal.

Date name changed/practice ceased


## 4. Prior corporate entity:

Has the name of the person, firm or incorporated body detailed in answer to Question 1 been changed, or has any other business been purchased or has any merger, amalgamation or consolidation of your business taken place?

No ☐ Yes ☐ Please detail changes in chronological order:


## 5. Particulars of all Principals:

Name of Principal	Age	Qualifications	Years Practising as Principal		Name of Previous Business Practices
			Current Business Practices	Previous Business Practice	

## 6. Total number of:

(a)	Qualified staff – including Principals (please specify each professional discipline)	
(b)	Other technical staff	
(c)	Non-technical staff (including typists, receptionists, etc.)	
Total of all staff		

## 7. Are you a member in good standing of a professional association or society

No ☐ Yes ☐ Please provide full particulars (where you are an incorporated body or partnership, particulars must be given of each Principal or partner).


INSURANCE HISTORY

8. (a) Are you currently insured for professional indemnity?  
No ☐ Yes ☐ Please complete the table below for the last 3 years.
- (b) If you are not, have you ever been insured for professional indemnity?  
No ☐ Yes ☐ Please complete the table below for the last 3 years you were insured.

Name of Insurer	Period Insured	Sum Insured	Excess

9. Have you ever had an insurer:
- (a) Decline a proposal? No ☐ Yes ☐ Please provide details on your letterhead
- (b) Impose special terms? No ☐ Yes ☐ Please provide details on your letterhead
- (c) Decline to renew your insurance? No ☐ Yes ☐ Please provide details on your letterhead
- (d) Cancel your insurance? No ☐ Yes ☐ Please provide details on your letterhead

YOUR PROFESSIONAL ACTIVITIES

10. Nature of your Business
- (a) State fully the nature of your business. (Please provide copies of any brochures or other documentation which may assist NZI Professional Risks in gaining a better appreciation of the risk being proposed).
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- (b) Are written disclaimers included with advice being given?  
No ☐ Yes ☐ Please provide an example.
- (c) Are verbal reports or advice always confirmed in writing?  
No ☐ Yes ☐ Please give details of what approximate percentage of reports have been given in the last 12 months as verbal reports only. \_\_\_\_\_ %
- (d) Please:
- (i) Provide clear details of the nature and type of advice given.
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- (ii) Categorise the activities undertaken and indicate the percentage of your total income each activity generates.
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

11. Are you or have you or have you or any parent, subsidiary or other related entity either: (i) engaged in, or (ii) have or had a controlling share of an entity engaged in

(a) Actual construction, fabrication, erection or any form of contracting?  
No ☐ Yes ☐ Please provide details

(b) Real estate development?  
No ☐ Yes ☐ Please provide details

(c) The manufacture, sale or distribution of any product or process or patented production process?  
No ☐ Yes ☐ Please provide details

(i) Names of the other entities involved, outlining their relationship to you:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(ii) Full details, including a description of the nature of the involvement:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

JOINT VENTURES

12. 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.

(a) 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.

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\_\_\_\_\_

OVERSEAS WORK (OUTSIDE NEW ZEALAND)

13. Have you ever undertaken, or are you likely to undertake, work overseas?

No ☐ Yes ☐ Please provide the following details of such.

Country	Branch/Representative	Dates of Commencement & Closure	Annual Income	Type of Work

## MISCELLANEOUS

## 14. For Sole Traders only

What arrangements do you have to cover the business or practice during your temporary absence while away on business, leave, sick, etc?

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## 15. Does any one client (or group of companies) account for more than 20% of your income?

If so, in respect of each such client, state the approximate percentage of your income derived from that client or group of companies. Also explain your relationship with that client and the nature of the work you perform for them.

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## FEE INCOME

## 16. (a) Gross professional fees for the last 12 months.

*Include fees paid to sub-consultants appointed by you. Exclude fees collected for disbursement to consultants.*

New Zealand \$	Overseas \$
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## (b) Estimated gross professional fees for the next 12 months.

*Include fees paid to sub consultants appointed too you. Exclude fees collected for disbursement to consultants appointed by your client together with travelling, accommodation or similar expenses reimbursed by your clients.*

New Zealand \$	Overseas \$
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## RISK MANAGEMENT

## 17. (a) Do you have a documented Risk Management Program (consistent with AS/NZS 4360:2004 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*

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## d) When was that program last reviewed and updated to ensure that it complies with the current standards applying to your profession?

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## (e) What are the highlights of the program which you have implemented to reduce/mange risk related to breach of professional duty as they related to your practice?

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- (f) Is there a principal/director/partner responsible for overseeing risk management within your practice?

No ☐ Yes ☐ Please provide details

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## CLAIMS AND CIRCUMSTANCES

18. Please answer the following questions after enquiry within your organisation.

- (a) During the past 10 years has any claim been made, or has negligence been alleged, against you or any of the present or former Principals, or have any circumstances which may give rise to a claim against you or any of the present or former Principals been notified to insurers?

No ☐ Yes ☐ Please provide details

Year Notified	Insured With	Claimant	Nature of Problem	Amount Paid and/or Outstanding

- (b) Are there any circumstances not already notified to insurers which may give rise to a claim against you or any prior corporate practice or any of the present or former Principals?

No ☐ Yes ☐ Please provide details

Name of Practice and Principal	Claimant	Nature of Problem	Estimate

- (c) Are there any claims against previous practices which have been identified in Question 3 or 4 of this Proposal, which may give rise to claim against either a Principal or you?

No ☐ Yes ☐ Please provide details

Name of Practice and Principal	Claimant	Nature of Problem	Amount Paid and/or Outstanding

- (d) Has any Principal or staff member ever been subject to disciplinary proceedings for professional misconduct?

No ☐ Yes ☐ Please provide details

Name of Practice & Principal Staff member	Claimant	Nature of Problem	Amount Paid and/or Outstanding

## COVER REQUIRED

19. Please state:

(a)	Amount of preferred <b>Total Sum Insured</b>	\$
(b)	Amount of preferred excess. (N.B Your policy will be subject to a minimum excess.)	\$

## RETROACTIVE COVER

20. Do you require retroactive cover which may be subject to additional premium?

*Retroactive cover extends cover under the Policy to liability arising from work carried out prior to the inception of the Policy to which this Proposal relates. There will be no cover for liability arising from a claim, or circumstance that may give rise to a claim, you were aware of at Policy Inception.*

No ☐ Yes ☐ Please state date from which retroactive cover is required

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_

OPTIONAL EXTENSIONS – EMPLOYMENT PRACTICES LIABILITY

21. Do you require Employment Practices Liability cover, subject to additional premium?  
No ☐ Yes ☐ Please complete a copy of the *Employment Practices Liability Addendum* from.

DECLARATION

I/We hereby declare that:  
The above statements are true, and I/we have disclosed all material 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 immediate notice thereof.  
I/We authorise NZI Professional Risks, a business division of IAG New Zealand Limited, to collect or disclose any personal information relating to this insurance to/from any other insurers or the Insurance Claims Register.  
I/We also confirm that the undersigned is/are authorised to act for and on behalf of all persons who may be entitled to indemnity under any policy which may be issued pursuant to this Proposal form and I/we complete this Proposal form on their behalf.  
To be signed by the Chairman/President/Managing Partner/Managing Director/Principal of the association/partnership/company/practice/business.

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_/\_\_\_\_/\_\_\_\_

It is important the signatory/signatories to the Declaration is/are fully aware of the scope of this insurance so that all questions can be answered. If in doubt, please contact your insurance broker since non-disclosure may affect an Insured's right of recover under the policy or lead it to being voided.

INSURANCE BROKERS DETAILS

Broker Name: \_\_\_\_\_ Account Number 

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Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Contact Name: \_\_\_\_\_

# IMPORTANT NOTICE TO THE APPLICANT 'CLAIMS MADE AND NOTIFIED' CONTRACT OF INSURANCE



PROFESSIONAL RISKS

PLEASE READ AND RETAIN IN YOUR FILE

The proposed insurance is issued on a 'claims made and notified' basis.

**This means that you will be insured for:**

1. Claims first made against you during the policy period and which are notified to NZI during the same policy period, provided that you were not aware, at any time prior to commencement of the policy, of any circumstances which would have alerted a reasonable person in your position that a claim may be made against you.
2. 'Circumstances' that you become aware of that **may** give rise to a claim against you, provided that NZI is notified immediately. When that circumstance is notified to NZI, it is deemed to be a claim under the policy, and any claim arising from it will be covered.

After expiry of the policy, no new claims can be made on the expired policy even though the event giving rise to the claim may have occurred during the policy period.

**It is very important** that you notify NZI immediately of any claim or any circumstances which a reasonable person in your position would consider may give rise to a claim against you. Failure to do so may mean that we are unable to accept your claim.

This notice is subject to the terms and conditions of the insurance policy. Please read it carefully. Any queries may be directed to your insurance broker.