

## PROFESSIONAL INDEMNITY PROPOSAL FORM ENGINEERS / CONSTRUCTION PROFESSIONALS

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### IMPORTANT NOTICES:

**It is important that you immediately contact us should you have any queries relating to these notices.**

#### 1. 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 insurance, and if so, on what terms.

You have the same duty to disclose those matters to the Insurer before you renew, extend, 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 of common knowledge;
- that your Insurer knows or, in the ordinary course of his 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 its 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.

PLEASE NOTE THAT YOUR DUTY APPLIES ALSO WHEN YOU SEEK TO AMEND, ALTER, VARY OR ENDORSE A POLICY.

#### 2. Utmost Good Faith

Every insurance contract is subject to the doctrine of utmost good faith which requires that parties to the contract should act toward each other with the utmost good faith. Failure to do so on your part may prejudice any claim or the continuation of cover provided by Insurers.

#### 3. Change of Risk or Circumstances

It is vital that you should advise us of any change from your "normal" form of business (i.e. that which has already been conveyed to your Insurers). For example, acquisitions, changes in occupation or location, new products, or new overseas activities.

In order to ensure proper protection please consult with us if you are in doubt as to whether an Insurer should or should not be told of certain changes. We would rather give you the extra service by answering these queries than allow you to take the risk of losing the opportunity for indemnity under your insurance policies.

#### 4. 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;
  - \* facts or circumstances which you first became aware of 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 in the proposal form for the current period of cover or in 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.

## 5. Average Provision

This policy provides that if a payment in excess of the limit of indemnity available under this policy has to be made to dispose of a claim, the Insurer's liability for costs and expenses incurred with its consent shall be such proportion thereof as the amount of indemnity available under this policy bears to the amount paid to dispose of the claim.

## YOUR PRIVACY

The Privacy Act 1988 (Cth) requires Edgewise Insurance Brokers to make the following disclosure before collecting personal information about you after 21 December 2001:

Edgewise Insurance Brokers collects personal information in order to provide its various services which include insurance broking, claims management, risk management consultancy, underwriting management, and reinsurance.

If the personal information Edgewise Insurance Brokers requests from you is not provided, Edgewise Insurance Brokers or any involved third party may not be able to provide the appropriate services.

Edgewise Insurance Brokers discloses personal information to third parties who are involved in the provision of our services. For example, in arranging and managing your insurance needs Edgewise Insurance Brokers may provide information (including sensitive information such as health information) to insurers, reinsurers, other insurance intermediaries, its advisors such as loss adjusters, lawyers and accountants, and other parties involved in the claims handling process. By submitting your proposal and continuing to deal with us, you confirm on your behalf and/or on behalf of those you represent consent to Edgewise Insurance Brokers and these parties collecting, using and disclosing personal and sensitive information about you.

Edgewise Insurance Brokers has a duty to maintain the confidentiality of its client's affairs which includes their personal information. Our duty of confidentiality applies except where disclosure of your personal information is with your consent or required by law.

Edgewise Insurance Brokers may make use of your personal information to provide you with information about its products and services.

Further details on the Edgewise Insurance Brokers Privacy Policy are on our website: [www.edgewise.com.au](http://www.edgewise.com.au)

## Contact us

Simply contact the Edgewise Insurance Brokers Privacy Officer on the details below if you would like to:

- Access the personal information Edgewise Insurance Brokers hold about you
- Update or correct the information Edgewise Insurance Brokers holds about you
- Discuss your privacy concerns
- Be removed from the mailing list to receive information about Edgewise Insurance Brokers products and services

Privacy Officer  
Edgewise Insurance Brokers Pty Ltd  
675 Victoria Street  
Richmond. Vic 3121

E-mail: [edgewise@edgewise.com.au](mailto:edgewise@edgewise.com.au)  
Telephone: (03) 9425 1333  
Fax: (03) 9425 1399

## RETROACTIVE LIABILITY

The proposed insurance may be limited by a retroactive date either stated in the Schedule or endorsed onto the policy. Where the retroactive cover by the proposed policy is subject to such date, then the policy does not cover any claim arising from any actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

## KEY FACTORS

These questions reflect the key factors that are taken into account when determining your premium.

1. Please answer all questions. Blanks &/or dashes, or answers such as “known to underwriters or brokers” or “N/A” are not acceptable & will delay consideration of this proposal.
2. If there is insufficient room to complete a question, please attach a signed & dated addendum.
3. Any documents attached to the proposal form are part of the proposal.
4. Where appropriate, please tick the yes or no box that best indicates your reply.

**1. Name**

Full legal name of each incorporated body or natural persons including any business or trading names	ABN	Date(s) of Commencement

Are you registered for GST?      Yes       No       Input Tax Credits:  %

**2. Address**

(a) Principal Address:


(b) Other Locations:


(c)

Telephone No.	Facsimile No.	Mobile
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>
Email address	Website address	
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	

- 3.**
- |  |     |                          |    |                          |
|--|-----|--------------------------|----|--------------------------|
| (a) Has the name of the Practice ever been changed?                    | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (b) Has any other practice or business amalgamated or merged with you? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| (c) Have you purchased any other practice or business?                 | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

If you have answered Yes to either (a), (b) or (c), please supply details:


**4. Name(s) of all Principals:**

Name	Age	Qualifications & Date Qualified	How long practicing as Principal / Director	
			This Firm	Previous Firm

**5. Total number of:**

- (a) Principals/Partners/Directors
- (b) Professionally qualified staff
- (c) Other technical staff (including trainees)
- (d) Non-technical staff
- (e) Total


**6. Please give details of Principals, Partners or Directors:**

(a) Who have joined the Firm and from what previous Firm?


(b) Who have retired and for whom Outgoing Principals / Partners / Directors extension is required?


(c) Is any Partner/Principal/Director connected or associated financially or otherwise with any other practice or business?    Yes     No

If Yes, please provide details:


**7. Details of the Business**

**7A.** Please express as a percentage of your gross professional fees stated in Question 13, your revenue derived from the following fields of activity. (If no actual fees, answer in relation to estimated fees).

		% of Fee Income	
(a)	Structural Engineering		%
(b)	Mechanical Engineering (including Hydraulic Engineering)		%
(c)	Electrical Engineering		%
(d)	Civil Engineering		%
(e)	Chemical Engineering		%
(f)	Construction and/or Project Management		%
(g)	Town Planning		%
(h)	Surveying (i) Land		%
	(ii) Quantity		%
	(iii) Building		%
(i)	Other		%

If Other, please specify:


**7B.** To enable Us to better appreciate the type of work You do or have been involved in, please state as an approximate percentage of your gross professional fees:

(a) Domestic/Residential Buildings (up to 3 floors)	%	(j) Dams	%
(b) Commercial Buildings (including townhouses and flats over 3 floors)	%	(k) Mines	%
(c) Institutional Buildings	%	(l) Oil & Pipelines	%
(d) Industrial Buildings	%	(m) Refineries	%
(e) High Rise Buildings (not otherwise classified)	%	(n) Mechanical & Bulk Handling Equipment	%
(f) Town Planning	%	(o) Fair Grounds & Exhibitions	%
(g) Marine	%	(p) Subsurface Surveys, Ground & Soil Testing	%
(h) Bridges	%	(q) Land Reclamation/Remediation	%
(i) Tunnels	%	(r) Other (please specify)	%


**7C.** Are verbal reports or advice always confirmed in writing? Yes  No

Please give details of what approximate percentage of reports have been given in the last 12 months as verbal reports only  %

**7D.** Are written disclaimers included with advice being given? Yes  No

If Yes, please provide an example:


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

If Yes, please provide details:


**9.** Are you or have you or any parent, subsidiary or other related entity:

(i) engaged in or; (ii) have had a controlling share of an entity engaged in:

- |     |   |                              |                             |
|-----|---|------------------------------|-----------------------------|
| (a) | Actual construction, fabrication, erection or any form of contracting?      | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (b) | Real estate development?  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (c) | The manufacture, sale or distribution of any product of process or patented | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

If Yes, please provide details:

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


**10.** Does any one client (or group of companies) account for more than 50% of your income? Yes  No

If Yes, 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.

Please attach information to a separate sheet of paper if required.

	%
	%
	%
	%

11. Has the Firm ever been involved in projects overseas? Yes  No

If Yes, please provide details:


12. Please supply fees and contract values where the Firm is involved:

	Last 12 months		Estimated next 12 months	
	Local	Overseas	Local	Overseas
(a) Construction Values	\$	\$	\$	\$
(b) Gross Fees	\$	\$	\$	\$

13. Please give details of five largest contracts undertaken during the past five years:

Starting Date	Description	Contract Values	Fees

14. Please provide approximate percentage of your activities (based on fee income) applicable to each State:

NSW	%	VIC	%	QLD	%	SA	%	WA	%
TAS	%	NT	%	ACT	%	Overseas		%	

15. **Consultants, Sub-Contractors or Agents**

(a) Do you engage Consultants, sub-contractors or agents? Yes  No

If Yes,

(b) Do you insist they carry their own Professional Indemnity Insurance? Yes  No

(c) Are there minimum sums insured that you require? Yes  No

(d) Do you enter into any hold-harmless agreements or otherwise waive any legal rights or entitlements which you may have against consultants, sub-contractors or agents? Yes  No

If Yes, please provide details:


(e) What percentage of the Firm's fees is paid to sub-contractors?  %

**16. For Sole Traders Only**

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


**17. Risk Management**

(a) Do you have a Risk Management Program (consistent with Australian Standards AS/NZS 4360:1999) which addresses your professional duty of risk? Yes  No

**Please provide a copy**

(b) What date was the program implemented? \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

(c) Is the program independently reviewed/monitored/audited? Yes  No

If Yes, please provide details:


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

(e) Is there a Principal/Director/Partner responsible for overseeing risk management within your practice? Yes  No

If Yes, please provide details:


**18. Details of Insurance Cover**

(a) Does the practice presently carry Professional Indemnity Insurance? Yes  No

(b) If the answer to (a) is No, has the Firm/Company ever been insured? Yes  No

If the answer to (a) or (b) is Yes, please supply the following details:

Amount of Cover	\$ _____	Excess	\$ _____
Last Annual Premium	\$ _____	Expiry Date?	_____
Name of Insurer/Broker	_____		

(c) Has any application for insurance in respect of the business to be covered made on behalf of the Firm or its predecessors ever been declined, cancelled or renewal refused? Yes  No

(d) Have any special terms ever been imposed? Yes  No

If the answer to (c) or (d) is Yes, please provide full details:


**19. Limit of Indemnity Required**

(a)  \$1,000,000     \$2,000,000     \$5,000,000     Other: \$

(b) What excess are you prepared to carry in respect of each & every claim? \$

**20. Details of Claims & Circumstances**

Are any of the Principals/Partners/Directors/Employees **after enquiry** aware of any circumstances which may give rise to a claim against the Firm or their predecessors in business or any present or former Principals/Partners/Directors/Employees? Yes  No

If Yes, please complete the Claims Addendum

**21.** Have any claims ever been made against the Firm or any of the present Principals/Partners/Directors/Employees or against its predecessors in business or any past Principals/Partners/Directors/Employees? Yes  No

If Yes, please complete the Claims Addendum

**22.** Have any Principals/Partners/Directors/Employees ever been subject to disciplinary proceedings for Professional Misconduct? Yes  No

If Yes, please provide details in respect of each matter


## DECLARATION

I declare as follows:

I/We confirm that the undersigned is/are authorized by the Applicant/s applying for this insurance, to make this declaration.

My/Our attention has been drawn to the "Important Notices", particularly, Duty of Disclosure, Non-Disclosure, Claims Made Policy and Your Privacy accompanying this Proposal Form and further I/We have read these notices carefully and acknowledge my/our understanding of their content by my/our signature/s below.

I/We have read this Proposal Form and the accompanying documents and acknowledge the above statements are true and correct, and I/we have not suppressed or mis-stated any 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 immediately notice thereof.

I/We authorize Edgewise Insurance Brokers Pty Ltd to collect or disclose any personal information relating to this insurance to/from any insurers or insurance reference service. Where I/we have provided information about another individual I/we declare that the individual has been or will be made aware of that fact.

I/We further agree to hold harmless and indemnify Edgewise Insurance Brokers Pty Ltd in the event of any action or matter that may be taken by any party pursuant to the Privacy Act 1988 (Cth).

Although the signing of this Proposal does not bind the Applicant/s to effect insurance, I/we acknowledge that the particulars and statements contained in this Proposal and in the accompanying documents shall be the basis of the contract if a policy is issued. I/we also acknowledge that the Proposal and the accompanying documents will be incorporated in the contract of insurance.

Name of Business or Practice

Signature of Principal or Director:

Name of Signatory:

<input type="text"/>	Date:        /        /
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# Edgewise PROFESSIONAL INDEMNITY ENGINEERS / CONSTRUCTION

## CLAIMS ADDENDUM

To be completed if your answer to either of the Claims Questions 20 &/or 21 is "YES".  
(If there is insufficient space, please attach further Claims Addendum).

<b>CLAIM</b>		* If exact date unknown, provide year as minimum
Claimant or potential Claimant		
Date* notified to insurer		
Insurer (lead insurer or facility name)		
Date* or period in which alleged failing occurred		
If settled, date* settled or, if file closed, date* closed		
Brief description of claim or potential claim:	<u>Circle Current Status:</u>	
	Notification Only (file open)	
	Notification Only (file closed)	
	Claim Pending	
	Claim Active	
	Claim Settled (recovery pending)	
	Claim Settled (file closed)	
Deductible Applicable	\$	
Insurer Paid to Date including costs	\$	
Insurer's outstanding estimate (net of recoveries)	\$	
Insurers Incurred Loss	\$	

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

Firm: \_\_\_\_\_