

IMPORTANT NOTICES

You should read the following advice before proceeding to complete this proposal

Claims Made Insurance

This policy is issued by the insurer Allied World Assurance Company Ltd (the insurer) on a claims-made and notified basis. This means that this policy only covers Claims (as defined) first made against the Insured(you) during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. This policy does not provide cover for any Claims 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. The Policy does also not provide cover for Claims arising from Acts (as defined) which took place before the Retroactive Date specified in the Schedule.

Section 40(3) of the Insurance Contracts Act 1984 (Cth) applies to this type of policy. It provides that where you become aware of any facts which might give rise to a Claim against you, provided that you notify the insurer in writing of those facts as soon as reasonably practicable after you become aware of those facts before the Policy Period expires, the insurer cannot refuse to pay a Claim which arises out of those facts, merely because when the Claim is made, it is made after the Policy Period had expired.

If a Claim is actually made against you during the Policy Period but you do not notify the insurer until after the Policy Period expires, the insurer may refuse to pay or may reduce its payment under the policy if it suffers any prejudice as a result of the late notification of the Claim by you.

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, 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
- your insurer knows or should know as an insurer; or
- the insurer waives your duty to tell them 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 had never existed.

Privacy

The insurer is committed to compliance with the Australian Privacy Principles under the Privacy Act 1988 (Cth). The insurer may collect, use and disclose personal information for the purpose of assessing the risk and providing insurance, administering a policy and assessing and managing claims. Personal information may be obtained by the insurer directly from you or via a third party such as an insurance intermediary. If this information is not provided to the insurer, it may not be able to provide insurance, administer the policy or process a claim.

The insurer's Privacy Policy contains information on the kinds of personal information the insurer collects and holds, how it does so and the purposes for which the insurer collects, holds and discloses personal information. It also contains information on how the insurer can access the insured's personal information, how the insured can seek correction of such information or make a privacy related complaint and when the insurer is likely to disclose personal information to third parties and overseas recipients, including the countries in which the insurer is likely located.

A copy of the insurer's Privacy Policy can be obtained by contacting the Insured by telephone (+612 8015 2500) or by visiting the Insured's website (<http://www.alliedworldinsurance.com/australia>).

By providing the insurer with your personal information, you consent to its collection, use and disclosure as outlined above and in the insurer's Privacy Policy.

Completing The Proposal Form

- Please answer all questions giving full and complete answers.
- It is the duty of the representative of the Business completing this Proposal to provide all information that is requested in the Proposal as well as to add additional material facts. A material fact is such known fact and/or circumstance that may influence the insurer in the evaluation of the risk. If you have any doubts about what a relevant fact is, please do not hesitate to contact your broker.
- If the space provided on the Proposal is insufficient, please use a separate signed and dated sheet in order to provide a complete answer to any question.

GENERAL DETAILS

1. Please state the full name of the person/s or business to be insured, including trading names. Where the applicant is a company, please give the full name of the company and its subsidiaries (hereinafter referred to as 'the Business').

2. Address of principal office

3. Address of any branch offices (including located overseas)

4. If there are any branch offices as noted in Question 3, please advise:

a) Partner or director in charge.

b) Are they domiciled at that location?

c) How does the Business ensure compliance by Branch Offices with corporate policies & procedures?

5. Contact Details

Name

Email

Telephone

6. Business Information

Registered company/business name

Country of registration

Date or year established

ABN

Website

7. (a) Has the Business name ever been changed?

Yes

No

(b) Has the Business ever purchased any other Business?

Yes

No

(c) Has the Business ever merged or consolidated with another business?

Yes

No

If 'Yes', please provide satisfactory details:

MANAGEMENT & PERSONNEL DETAILS

8. Please state the number of staff in each of the following categories:

Categories	No.	Categories	No.
Partners/Principals/Directors		Other Technical Staff	
Qualified Engineers		Clerical/Support Staff	
Qualified Architects		Other (Please specify:)	
Qualified Surveyors		Trainee Staff	
Other Qualified Staff (Please specify:)		Total	

9. Please provide the details of Partners, Principals and Directors of the Business:

Names of all Partners, Principals and Directors	Age	Qualifications	Date Qualified	Number of Years practicing as Partner, Principal or Director	
				This Practice	Previous Practice

Please attach copies of the curriculum vitae for all Partners, Principals and Directors of the Business.

10. Do the Partners/Principals/Directors of the Business or the Business have current memberships to any professional associations?

If 'Yes', please provide satisfactory details:

11. (a) Have there been any breaches in lending covenants, or is the Business at risk of breaching any lending covenants?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(b) Has there been any material impairments or write-downs of asset values in the past 12 months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(c) Has there ever been any fines or penalties awarded against the insured?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If 'Yes' to any of the above, can you provide satisfactory details around this?

BUSINESS DETAILS

12. Please describe the nature of business/professional services that the Business provides, including full details of the advice given, activities undertaken and services provided.

13. Does the Business expect any changes in their professional activities, or the commencement of any new activity, during the next 12 months?

Yes No

If 'Yes', please provide satisfactory details:

14. Are there any professional activities which are no longer conducted by the Business (or by any previous name the Business was known as)?

Yes No

If 'Yes', please provide satisfactory details including the fee income derived from the services, the period during which the activity was conducted and the reason for its discontinuation:

15. Please state the gross annual fee income in the following terms:

	Last Financial Year	Current Financial Year (Estimate)	Next Financial Year (Estimate)
Australia	\$	\$	\$
Overseas	\$	\$	\$
Total	\$	\$	\$

16. Please provide a breakdown of the Business's total revenue generated in the last financial year as follows:

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

17. Please provide a breakdown of the activities of the Business as follows:

Types of activity	
Feasibility studies, reports where no design is completed	%
Design only, with no construction phase duties	%
Construction only, no design	%
Construction management and project management only	%
Design and Construction (design subcontracted and construction completed by the Business)	%
Design and Construction (design completed by the Business and construction completed by the Business)	%
Others – Please specify:	%
Total	100%

18. State the approximate percentage of gross fees for the last financial year (if the Business is newly established, state estimated percentage for the forthcoming year) in respect of:			
Acoustical Engineering	%	Architecture	%
Chemical Engineering	%	Interior Designing	%
Civil Engineering	%	Surveying (i) Land	%
Electrical Engineering	%	(ii) Quantity	%
Electronic Engineering	%	(iii) Building	%
Environmental Engineering	%	(iv) Marine	%
Geotechnical/Soil Engineering	%	Drafting	%
Heating & Ventilating/ Air Conditioning Engineering	%	Registered Inspection/ Accredited Checking/Authorised Person	%
Hydraulic/Fire Engineering	%	Project Management	%
Marine Engineering	%	Construction Management	%
Mechanical Engineering	%	Town Planning	%
Mining Engineering	%	Others (Please specify:)	%
Nuclear Engineering	%		%
Plumbing Engineering	%		%
Structural Engineering	%	Total	100%
19. State the approximate percentage of gross fees received during the last financial year (if the Business is newly established, state estimated percentage for the forthcoming year) for the following types of work:			
Home Building			
a. Individual Dwellings			%
b. Low Rise Multiple Dwellings (up to floors)			%
c. High Rise Multiple Dwellings (above 3 floor)			%
d. Modular Dwelling (involving repetitive design)			%
Engineering Construction			
a. Highways			%
b. Bridges or Tunnels (up to 8 metres in length)			%
c. Bridges or Tunnels (more than 8 metres in length)			%
d. Dams (more than 6 metres in water depth)			%
e. Railways, Airports, Harbours and Jetties			%
f. Sewage or Water Schemes			%
Industrial			
a. Power plants			%
b. Refineries, Chemical and Chemical Installations			%
c. Manufacturing and all other Mechanical Plant			%
d. Industrial Building Systems			%
Public Building			
a. Hospitals and Nursing Homes			%
b. Schools and Universities			%
c. Hotels and Recreation Centres			%
d. Offices and Other Buildings			%
Other Work			
a. Foundations and Piling			%
b. Feasibility studies, surveys, reports and similar			%
c. Other specialist work not listed elsewhere:			%
Total			100%

20. Please state the date of your financial year end: DD/MM/YYYY

21. Please give details of the three largest contracts being undertaken in the next 12 months:

Client Name	Starting and completion dates	Total contract value	Fees	Type of Contract	Professional service provided
	Start To				
	Start To				
	Start To				
	Start To				
	Start To				

22. Does any contract or client represent over 50% of your annual fee income? Yes No

If 'Yes', please provide satisfactory details:

23. Does the Business engage in any actual construction and/or product manufacturing? Yes No

If 'Yes', please provide satisfactory details:

24. Does the Business appoint independent or specialist sub consultants? Yes No

If 'Yes', please state:

(a) What percentage of gross income/fees was paid to sub-contractors in the last financial year? %

(b) Are sub-contractors required to carry professional indemnity insurance? Yes No

If "Yes" please provide satisfactory detail:

(c) Does the Business enter into hold harmless agreements or other agreements which waive any legal rights or entitlements the Business may have against such independent or specialist sub consultants? Yes No

(d) Does the Business utilise a sub-contractor panel? Yes No

If 'Yes' please set out the process for adding or removing sub-contractors from this panel:

(e) Does the Business do any financial analysis of their sub-contractors to ensure they are financially solvent? Yes No

If 'Yes', please provide satisfactory detail:

25. Is the Business:		
(a) Working with other firms in joint ventures?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(b) Connected with other firms financially or in any other way?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', please provide satisfactory details:		
26. Are any of the Business' activities performed outside of Australia or provided to clients based outside of Australia?		
If 'Yes', please provide satisfactory details:		
27. Is the Business represented in any way in the USA or Canada?		
If 'Yes', please state how (e.g. by subsidiary company, local office, local representative or by any other person or any person holding a power of attorney on behalf of the Business):		
28. Has the Business ever undertaken or does it intend to undertake work, in respect of which any potential civil liability is covered by a specific project insurance policy?		
If 'Yes', please provide satisfactory details:		
29. Does the Business take an equity stake in any of the projects/contracts they are commissioned to work on?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', how does the Business limit their liability?		
30. Does the Business ever enter into any Build, Own & Operate (BOO) contracts or any Build, Own, Operate & Transfer (BOOT) contracts?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', how does the Business limit their liability?		

RISK MANAGEMENT

31. Does the Business hold ISO or any other third party accreditation for the risk management procedures it utilises?

Yes No

If 'Yes', which accreditations are held and when were these accreditations obtained?

How often is the accreditation reviewed, and who reviews it?

32. Is legal counsel an in-house function?

Yes No

If 'No', who provides this service?

33. Does the Business use a standard form of contract, agreement or letter of appointment?

Yes No

If 'Yes', please attach a copy:

34. Does the Business ever agree to contract out of proportionate liability legislation (e.g. Civil Liability Act)?

Yes No

If 'Yes', please provide satisfactory details:

35. Is the scope of Professional Services to be conducted always clearly set out in the contract or terms or engagement?

Yes No

If 'No', please explain how this is agreed:

36. Are non-standard contracts legally reviewed before being signed by the Business?

Yes No

If 'No', please provide satisfactory details of how the Business reviews the contract:

37. Are verbal reports always confirmed in writing?

Yes No

If 'No', please provide satisfactory details of how you substantiate verbal reports:

38. Describe through an attached document the formal procedures in place relating to the following:

- a) Risk management, quality control and / or compliance
- b) The engagement of consultants, sub-contractors, or agents
- c) The identification and reporting of incidents or facts which might give rise to a professional liability claim
- d) Peer review and dual sign-off or approval in respect of any aspect of the business or professional services provided by the Business
- e) The evaluation and approval of new clients, contracts, and tenders
- f) Identification and manage of conflicts of interest
- g) When were the above procedures established, how regularly are they reviews, and whom are they reviewed by?

If such procedures are not in place, please advise how these exposures are managed.

39. Does the Business limit its liability in contacts with clients?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', please provide satisfactory details of how you limit their liability:

40. Does the Business ever sign contracts where liability for consequential loss is accepted?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', can the Business please advise if they have any specific carve-outs, or do they limit their liability in anyway?

41. Does the Business ever agree to hold harmless any third parties for claims arising out of services they provide?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', please provide satisfactory details:

42. Does the Business ever enter into contracts where the liability of any other party is limited?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', please provide satisfactory details:

43. Is any design work sub-contracted out?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', what checks and quality assurance is conducted by the Business, and what contractual protections are in place in the event of a design flaw being discovered?

44. Does the Business ever enter into contracts containing penalties for breach of contract or provisions regarding liquated damages?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', please provide satisfactory details of whether such penalties or provisions are expressed as a fixed sum or a genuine pre-estimate of loss:

45. Please describe the Business' largest professional indemnity exposure with respect to potential claims.

46. Does the Business have an initial view on any potential liability it may have for project delays?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
47. If an in-house design issue is discovered, is a review and rectification undertaken on all current and former projects?		
48. Please provide a satisfactory overview of your materials procurement process. Further, are any materials procured from overseas jurisdictions?		
49. Does the Business have a contract approval authority matrix?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', please provide satisfactory details:		
50. Has the Business ever experienced difficulties with cash flow, given consideration to potential insolvent or administration, or is there any reason to believe that the Business may experience financial distress during the term of the policy period?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', please provide satisfactory details:		
51. Are there any protections afforded to the Business from force majeure clauses or similar in any of their contracts?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

INSURANCE HISTORY		
52. Does the Business currently hold or has it ever held any Professional Indemnity, and/or Public Liability Insurance?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', please provide satisfactory details:		
Contract Works		
Insurer		
Policy Period		
Policy Limit		
Excess		
Professional Indemnity		
Insurer		
Policy Period		
Policy Limit		
Excess		
General Liability		
Insurer		
Policy Period		
Policy Limit		
Excess		
Workers Compensation Insurance		
Insurer		
Policy Period		
Policy Limit		
Excess		
53. Has any insurer in respect to any insurance held by the Business:		
(a) Declined a proposal, refused renewal or terminated an insurance?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(b) Required an increased premium or imposed special conditions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', please provide satisfactory details:		
54. Have any special terms or conditions even been imposed on any insurance policy held by the Business?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If 'Yes', please provide satisfactory details:		

CLAIMS HISTORY

55. After enquiry have any Professional Indemnity claims been made against the Business and/or predecessors of the Business and/or any current and/or retired Partner(s), Director(s), Principal(s) or employee(s) of the Business, either individually or otherwise, whether successful or not within the past ten years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', please provide satisfactory details:

Date of claim/loss	Brief details of each claim/loss	Amount paid or estimate of potential liability	Is claim/loss finalised?

56. Has a claim ever been lodged against the Business under the Security of Payments Act, or otherwise in relation to the payment of subcontractors or suppliers?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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57. Has any Partner(s), Director(s), Principal(s) or employee(s) of the Business ever been subject to an inquiry or disciplinary proceedings?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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If 'Yes', please provide satisfactory details:

58. After enquiry are any of the Partners, Directors, Principals or employees of the Business aware of any facts/or circumstances which may give rise to a claim against the Business and/or predecessors of the Business and/or your current and/or retired Partners, Directors, Principals or employees of the Business.

If 'Yes', please provide satisfactory details:

Claimant or Potential Claimant	Brief details of the matter	Estimate of potential liability

INSURANCE REQUIRED

59. Limit of liability required	\$
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60. Excess required (each and every claim):	\$
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61. Optional Extensions:

Fidelity Cover	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Proportionate Liability	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Please note that Allied World will assess the application of the Business for the Optional Extensions and determine whether or not the Optional Extensions will be offered to the Business and what additional premium will be charged for the Optional Extensions.

DECLARATION

SIGNING THIS BUSINESS FORM DOES NOT BIND THE BUSINESS OR THE INSURER TO COMPLETE THIS INSURANCE

I/We declare that the statements and particulars in this Proposal form are true and that no material facts have been misstated or suppressed after enquiry. I/We agree that should any of the information given by me/us alter between the date of this Proposal and the inception date of the insurance to which this Proposal relates, I/we will give immediate notice thereof. I/We agree that this Proposal form, together with any other information supplied by me/us shall form the basis of any contract of insurance effected thereon.

TO BE SIGNED BY A PERSON AUTHORISED BY THE BUSINESS AS A PARTNER, DIRECTOR OR PRINCIPAL OF THE BUSINESS

SIGNATURE	DATE
NAME	POSITION