



ASR Underwriting Agencies

Coverholder at **LLOYD'S**

Proposal Form



PROFESSIONAL INDEMNITY & PUBLIC LIABILITY

Tax Agent/Accounting

Arranged through ASR Underwriting Agencies Pty Ltd Underwritten by Certain Underwriters at Lloyd's

IMPORTANT NOTES

PLEASE READ THESE GUIDANCE NOTES BEFORE COMPLETING THE PROPOSAL FORM. WHERE FURTHER INFORMATION IS REQUIRED PLEASE ATTACH IT TO THIS PROPOSAL FORM. This proposal must be typed, or completed in ink and signed and dated by such person (Proposer/You/Your) who must be of legal capacity and authorised by the Proposer to seek a quotation for Liability Insurance and any additional coverage that may be provided by the Insurer. Please answer every question fully, and state "NIL" or "NONE" as applicable. Incomplete answers may not be accepted and can delay quotation.

Should there be insufficient room in the Proposal Form for full details, please attach further information on signed and dated sheets, wherever possible following the same format and paragraph number. It is the duty of the Proposer to disclose all material facts to Insurers. Where this is omitted, the Insurers may avoid their obligation under the Policy.

For the purpose of the Proposal and for all purposes relating to any policy issued pursuant to this Proposal, a 'material fact' shall be deemed to be one that would be likely to influence an Insurer's judgement and acceptance of Your Proposal. Upon acceptance of the Insurers' terms and conditions and payment of the premium, all information provided by the Proposer together with the guidance notes will be deemed to be incorporated in the contract between Insurers and the Proposer.

CLAIMS MADE POLICY (applies to Professional Indemnity and Management Liability only)

This proposal is for a "claims made" policy of insurance. This means that the policy indemnifies You for claims made against You and notified to the Insurers during the period of insurance. The policy does not provide indemnity in relation to:

- Claims arising from facts or circumstances that occurred prior to the retroactive date of the policy (if such a date is specified);
- Claims made, threatened or intimated against You prior to the commencement of the period of insurance;
- Claims made against You after expiry of the period of insurance even though the facts or circumstances giving rise to the claim may have occurred during the insurance;
- Claims arising from facts or circumstance noted on the proposal form for the current period of insurance or on any previous proposal form;
- Claims arising from facts or circumstances of which You first became aware prior to the commencement of the period of Insurance, and which You knew or ought reasonably to have known had the potential to give rise to a claim under this Policy.

YOUR DUTY OF DISCLOSURE

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms. You have this duty until we agree to insure you. You

have the same duty before you renew, extend, vary or reinstate an insurance contract. You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something: If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both. If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

PRIVACY

We are committed to protecting your privacy. We use the information you provide to us to assist with your insurance needs. We provide your information to insurance underwriters, brokers and agents that provide insurance quotes and offer insurance terms to you or the companies that deal with your insurance claim (such as loss assessors and claims administrators). Your information may be given to certain Underwriters at Lloyd's when we are seeking insurance terms from them, or to reinsurers who are located overseas. We also supply your information to the providers of our policy administration and underwriting systems that help us to maintain our products and services. You will be advised where those companies are located at the time any advice is given to you. We do not trade, rent or sell your information. If you do not provide us with full information, we cannot properly seek insurance terms for you, or assist with claims and you could breach your duty of disclosure. For more information about how to access the personal information we hold about you and how to have the information corrected and how to complain if you think we have breached the privacy laws, ask us for a copy of our Privacy Policy by telephone to our Privacy Officer on 07 3442 3301 or visit our website www.asruw.com.au

EXCESS

The policy provides that You will be required to bear a specified amount of all claims and this is for each and every claim made against You including defence costs. We will let You know when the excess is payable.

YOUR LEGAL LIABILITY

If you take out a Liability cover section, the financial risk of court awards through litigation is ever increasing and we recommend that You select a Limit of Liability that takes into account the future cost of claims including legal fees and costs of defence. Even higher limits are available than your current limit if required. Defence costs are included within the limit of liability, when you take out a Liability cover section.

WAIVER OF RIGHTS

If You have entered into an agreement with another party, which prevents your Insurer from taking recovery action for compensation from that party it may affect Your rights to cover under this Policy. Should You now be a party to such an agreement or be requested to enter such an agreement in the future, please advise your Broker in writing so we may notify the Insurer.

| BROKER DETAILS | | | |
|----------------|--|--------------|--|
| Broker Name | GC Insurance Services | Contact Name | Phil Doran |
| Phone Number | 1300 935 958 | Fax Number | info@gcinsurance.com.au |
| Website | www.gcinsurance.com.au | | |

IMPORTANT NOTICE RELATING TO THIS PROPOSAL

PLEASE READ THE FOLLOWING ADVICE BEFORE PROCEEDING TO COMPLETE THIS PROPOSAL FORM.

When completing this Proposal Form:

- Please answer all questions giving full and complete answers. It is your duty to provide all information that is requested in the proposal form as well as to add additional relevant facts. A relevant fact is such known fact and/or circumstance that may influence in the evaluation of the risk by the Insurer. If you have any doubts about what a relevant fact is, please do not hesitate to contact your Broker or Insurer.
- If the space provided on the Proposal Form is insufficient, please use a separate signed and dated sheet in order to provide a complete answer to any question.
- The Proposal Form must be completed, signed and dated by a person, who must be of legal capacity and authorised for the purpose of requesting insurance for the firm.

This proposal form does NOT BIND the Proposer to complete the insurance but will form part of any Insurance

INSURED DETAILS

| | | | | | |
|-------------------------------|---|-------|--|----------|--|
| Full name of Insured | | | | | |
| Trading name(s) if applicable | | | | | |
| ABN | | | | | |
| Location | | | | | |
| Suburb | | State | | Postcode | |
| Postal address | | | | | |
| Suburb | | State | | Postcode | |
| Website | | | | | |
| Contact name | | | | | |
| Phone number | | Fax | | Mobile | |
| Email address | | | | | |
| Website | | | | | |
| Cover required from | / | / | | | |

LIMIT OF INDEMNITY

| Professional Indemnity: (option required – tick) | | Public Liability: (please tick option) | |
|--|---|--|--------------------|
| <input type="checkbox"/> | \$250,000 any one claim / \$1,500,000 in the aggregate | <input type="checkbox"/> | Not required |
| <input type="checkbox"/> | \$500,000 any one claim / \$3,000,000 in the aggregate | <input type="checkbox"/> | Limit \$10,000,000 |
| <input type="checkbox"/> | \$1,000,000 any one claim / \$6,000,000 in the aggregate | <input type="checkbox"/> | Limit \$20,000,000 |
| <input type="checkbox"/> | \$2,000,000 any one claim / \$12,000,000 in the aggregate | | |

BUSINESS DETAILS

Please Note cover provided is as per the Activities Detailed below:

Tax Agents / BAS Agents covering Civil Liability arising from any act, error or omission in the provision of Tax Agent & BAS services as defined in the Tax Agent Services Act including Professional activities of Accountants / Tax Agents / BAS Agents and Bookkeepers including Accounting Services, accounts financial statements, data collection and preparation of records for accounts, all BAS data collection and reporting, all GST data collection and reporting, all payroll activities, all credit control work, all cash payments work, preparation & lodgement of Tax returns, all reconciliation work and all reporting work, use of all accounting programs including associated training, training, Not for Profit Audits, SMSF Audits, Trust Fund Audits and Pty Ltd Company Audits, Management & Business Consulting, SMSF Administration and setup, ASIC Services, Limited Financial Services License activities and any other activity incidental thereto and/or in which the Insured engages or may become engaged including Sub Contractors whilst working for the Insured.

| | |
|--|--|
| Has the applicant previously purchased or owned another BAS Agent/Tax Agent/Accounting practice? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| If YES, is cover required for such previously operated Practices? If YES, please provide further details | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Do you hold an AFS Licence? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Do you hold a Limited Financial Services Licence? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| | |
|---|--|
| Are you a registered Company Auditor or is your Company and Authorised Audit Company? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Are you a registered ASIC Agent? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Does the Firm currently or has it in the past, provided professional services in respect of establishing, running or terminating Yes No any tax minimisation schemes? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

EXCLUDED ACTIVITIES

Coverage for the following activities is excluded:

- Work of any nature provided for a public listed company
- Financial or Investment , Performance advice except where cover is provided under the limited financial advice endorsement.
- Any advice or service given by the insured or on the insured's behalf in respect to:
 - a. corporate advisory services including mergers, acquisitions, consolidations or similar transactions; or
 - b. insolvency, administration or receiverships; or
 - c. business valuations; or
 - d. due diligence activities; or
 - e. debt finance; or
 - f. capital financing; or
 - g. equity for control exchange or debt or equity exchange; or
 - h. insurance; or
 - i. mortgage broking; or
 - j. migration services; or
 - k. information technology consulting other than training services or use of accounting software; or
 - l. audit work except where the service is provided to not for profit organisations, trust funds, proprietary limited companies or self-managed superannuation funds; or
 - m. Any initial public offering, private placement memorandum, prospectus or any other offering materials which contain or purport to contain tax advantages or deductions or are sold or offered either wholly or in part as a tax shelter, tax haven or tax avoidance investment or scheme.

INCOME DETAILS

Please provide a breakdown of your gross fees/income by professional business for the last financial year and the current financial year by stating the whole amounts in Australian Dollar (\$):

| Professional fees earned from | Last financial year's actual gross fees (annual) | Next financial year's estimated gross fees (annual) |
|--|--|---|
| 1. Bookkeeping and BAS Agent activities | \$ | \$ |
| 2. Tax Agent | \$ | \$ |
| 3. Financial Statements | \$ | \$ |
| 4. Accounting activities | \$ | \$ |
| 5. Audit – SMSF / Not For Profit / Trust Funds / SMSF | \$ | \$ |
| 6. Audit – Pty Ltd Companies | \$ | \$ |
| 7. Management / Business Consultancy | \$ | \$ |
| 8. ASIC Services | \$ | \$ |
| 9. Limited Financial Services | \$ | \$ |
| 10. Other (please detail below) <i>Any other activity specified in this area is not included unless specified in the business description and agreed by the Underwriters*</i> | \$ | \$ |
| Total | \$ | \$ |

Other business activities: **Note: These activities are not automatically included unless agreed by the Insurer*

GENERAL INFORMATION

| | |
|--|--|
| Date your business was established | / / |
| Is the applicant a member of any Association? If YES, which Association? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| | | |
|--|---|--|
| Do Directors, Employees/Partners: | (a) Have access to client bank accounts? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | (b) If YES, do they have the ability to move client funds, make payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | (c) Do Contractors have the ability to move client funds, make payments? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Do you have Professional Indemnity Insurance Cover currently in place? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| If YES, please state name of Insurer | Expiry date | / / |
| How long have you held Professional Indemnity Insurance? | | Years |
| EMPLOYEE INFORMATION | | |
| Total number of Employees (including Directors) | | |
| Total number of Contractors | Do these Contractors work solely for the Applicant? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| If Contractors are used, please advise the percentage of turnover by Contractors | | % |

| | | |
|--|--|--|
| CLAIMS INFORMATION/CIRCUMSTANCES | | |
| Have you been declared bankrupt or been convicted of any criminal offences? If yes, please provide details below. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Have any claim(s) been made against the company in the last 5 years or is the proposer aware of any circumstances which may give rise to a claim? | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Is the Proposer aware, after enquiry of any Circumstance(s) or Incident(s), which may give rise to a Claim? If YES, please provide further details | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Please provide a brief description of any claim, matter, occurrence or circumstance. | | |
| | | |
| | | |
| | | |

| | | | |
|--|--|----------|-----|
| DECLARATION BY THE APPLICANT | | | |
| SIGNING THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR THE INSURER TO COMPLETE THIS INSURANCE | | | |
| The person signing this declares that the statement and particulars in this proposal form are true and that no material facts have been misstated or suppressed after enquiry. | | | |
| The person signing this agrees that should any of the information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, the person signing this will give immediate notice thereof. | | | |
| The person signing this agrees that the Underwriters may use and disclose our personal information in accordance with the "Privacy Statement" at the beginning of this Proposal. | | | |
| The person signing this agrees that this proposal, together with any other information supplied by us shall form the basis of any contract of insurance effected thereon. | | | |
| The person signing this acknowledges that the following important notices relating to this proposal have been read and understood. | | | |
| Should you have any questions or queries about these notices please contact your insurance broker. | | | |
| TO BE SIGNED BY THE INSURED FOR WHOM THIS INSURANCE IS INTENDED FOR | | | |
| Authorised signatory | | Dated | / / |
| Name of signatory | | Position | |
| IT IS IMPORTANT THE PERSON SIGNING THIS DECLARATION ABOVE IS FULLY AWARE OF THE SCOPE OF THIS INSURANCE SO THAT THESE QUESTIONS CAN BE ANSWERED CORRECTLY. IF IN DOUBT PLEASE CONTACT YOUR INSURANCE BROKER SINCE NON-DISCLOSURE MAY AFFECT YOUR RIGHT OF RECOVERY UNDER THE POLICY. | | | |
| It is recommended that you keep a record of all information supplied for the purpose of entering into insurance (including copies of this Proposal Form and correspondence). | | | |

PRINT FORM

RESET FORM

CANCELLATION CHARGES

If we are requested to cancel the policy, we will charge the following short period rate premiums. We will hold you and or your insurance intermediary liable to pay these amounts

| | | |
|-------------------------------|---------------------------|--|
| Within 1 month of inception: | 25% of the quoted premium | Thereafter at terms to be agreed with underwriters |
| Within 2 months of inception: | 20% of the quoted premium | |
| Within 3 months of inception: | 15% of the quoted premium | |

IMPORTANT NOTICES

Your Professional Indemnity Insurance Policy is issued on a CLAIMS MADE basis.

This means that this policy responds to:

- (1) Claims first made against you during the policy period and notified to the Insurer during that policy period, providing that you were not aware at any time prior to the policy inception of circumstances which would have put a reasonable person in your position on notice that a Claim may be made against you; and
- (2) Pursuant to Section 40, sub-section 3 of the INSURANCE CONTRACT ACT 1984 which states:
"Where the Insured gave notice in writing to the Insurer of facts that might give rise to a Claim against the Insured as soon as was reasonably practicable after the Insured became aware of those facts but before the insurance cover provided by the contract expired, the Insurer is not relieved of liability under the contract in respect of the Claim, when made, by reason only that it was made after the expiration of the period of insurance cover provided by the contract"

When the policy expires, no new notification generally can be made on the expired policy even though the event giving rise to a Claim against you may have occurred during the policy period.

You will not be entitled to indemnity under your new policy in respect of any Claim arising out of circumstances of which you were aware at any time prior to policy inception which would have put a reasonable person in your position on notice that a Claim may be made against you.

In accordance with the provisions of the INSURANCE CONTRACT ACT 1984, the Insurer is 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 CONTRACT 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, upon 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 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 their Insurer.

(It should be noted that this duty continues after the proposal form has been completed up until the time the policy is entered into.)

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. It is therefore vital that you make sufficient enquiries BEFORE you complete your proposal form and BEFORE you sign any declaration that there has been no change in the information proposed.

Please take notice of the following statements pursuant to the provisions of the INSURANCE CONTRACT ACT 1984.

Surrender or Waiver of any Right of Contribution or Indemnity

Where another person or company would be liable to compensate you or hold you harmless for part or all or any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after the inception of the policy that you would not seek to recover any loss or damage from that person, you are NOT covered under the policy for any such loss or damage.

Notice of Occurrences or Events

If during the period of this policy, the Insured shall become aware of any occurrence which may give rise to a Claim under the policy and shall, during the period of this insurance, give written notice to the Insurer of such occurrence, any Claim which may be subsequently made arising out of the occurrence of which notification has been given shall be deemed to be a Claim made during the period of this policy whenever such Claim may actually be made.

Contract by the Insured Affecting Rights of Subrogation

If the proposed contract of insurance includes a provision which excludes or limits the Insurer's liability in respect of any loss because you are a party to an agreement which excludes or limits your rights to recover damages from a third party in respect of that loss, you are hereby notified that signing any such agreement may place your indemnity under the proposed contract of insurance at risk.

Privacy Statement

The Insurer is bound by the obligations of the Privacy Act 1988 as amended by the Privacy Amendments (Private Sector) Act 2000 regarding the collection, use, disclosure and handling of personal information. The Insurer will protect the privacy of your personal information.

The Insurer will use the information you provide in this Proposal Form (including any supplementary documentation) to consider your application for insurance, to determine policy terms, to assess a claim, etc.

We may disclose your personal information to third parties who we believe are necessary to assist us. These third parties will only use your personal information for the purposes we provided it to them (or if required by law). The Insurer may also be required to disclose your personal information to others for the purposes of public safety and/or law enforcement.

If you provide us with personal information about other individuals you must ensure that you obtain consent from those individuals to disclose that information to us.

You are entitled to access your personal information and request any correction if required.

Who is the insurer

Certain Underwriters at Lloyds