



# Professional Indemnity (Accountants) Proposal Form

## Important Notices:

Please read the following advice before completion of this Proposal Form

- The persons whose interests are to be insured under this policy should understand the terms, definitions and cover provided by this policy by reference to our Policy Wording. It is available from Your Insurance Adviser or our Website.
- When SRS Underwriting Agency Pty Ltd place this policy of insurance under an authority given to us by the Insurer, we will be effecting the contract as Agent of the Insurer.

## Claims Made Policy

This Proposal is for a claims made Policy. This means that the policy only responds to:

- Claims first made against you and notified to the Insurer during the policy period arising from events after any retroactive date on the policy, and
- Events of which you first become aware during the policy period that could give rise to a future claim provided that you notify the Insurer during the policy period of the circumstances of such events and they arose after any retroactive date on the policy.

When the policy expires, no claims can be made on the policy even though the event giving rise to the claim may have occurred during the policy period.

It is therefore advisable to renew the policy each year on a claims made basis with retroactive cover for past activities.

## Your Duty of Disclosure.

When we provide Insurance terms for you, whether for a new policy, renewal of a policy or changes to or reinstatement of your policy, we rely on the information you provide to us. You must tell us anything that you know, or should know, that could affect

- Our decision to insure you,
- the amount of the premium we charge you or
- whether we should impose special conditions to this cover.

You do not need to tell us about anything which:

- Reduces the likelihood of a claim
- Is of common knowledge
- We know, or as an Insurer should know
- We indicate that we do not want to know

**What you must tell us.** When answering our questions, you must be honest and you have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances, would include in answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the policy, and on what terms.

**Who needs to tell us.** It is important that you understand you are answering our questions in this way for yourself and anyone else whom you want to be covered by the policy.

**If you do not tell us.** If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having existed

## Privacy Statement

We are committed to protecting your privacy. We only use the personal information you provide to us to quote on and insure your risks. We only provide personal information to our underwriters and reinsurers (and their representatives) and those we appoint to assist us with claims under your policy. We will not trade, rent or sell your information.

If you do not provide us with complete information, we cannot properly quote for your insurance and we cannot insure you. You can check the personal information we hold about you at any time.

If you provide us with personal information about anyone else, we rely on you to have told them that you will provide their information to us, to whom we may provide it, the purposes for which we will use it and that they can access it. If the information is sensitive, we rely on you to have obtained their consent on these matters.

For more information about our Privacy Policy, ask us for a copy or visit our website.

## No Cover if Rights "Signed Away"

This policy does not cover loss, destruction, damage or legal liability in respect of which any right which you may otherwise have had against any person, company or partnership is excluded or limited by reason of any agreement you may enter into.

Please be careful before you sign anything that you do not jeopardise your entitlement to be covered under this Policy.

## BRISBANE

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Brisbane QLD 4001

Phone: +61 7 3002 3000  
Fax: +61 7 3002 3077

## SYDNEY

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Sydney NSW 2000

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Sydney NSW 2001

Phone: +61 2 9323 5000  
Fax: +61 2 9323 5077

## MELBOURNE

Level 10, 520 Collins Street  
Melbourne VIC 3000

PO Box 230  
Collins Street West VIC 8007

Phone: +61 3 9810 0600  
Fax: +61 3 9810 0650

[www.srs.com.au](http://www.srs.com.au)

[info@srs.com.au](mailto:info@srs.com.au)

SRS Underwriting Agency Pty Ltd  
ABN 89 113 929 516  
AFSL 290518

### Interests Covered

Unless this insurance is otherwise extended, the insurance proposed here will, when incepted, cover only the interests of those persons/entities specifically named in this proposal and accepted by us. It will not cover the interests of any other persons / entities.

### Alteration to your Business

The Insured must notify us in writing within 7 days of any material alteration to the Insured's Professional Business, including but not limited to:

- Any material alteration made or permitted by the Insured to the nature of the Insured's Professional Business; any acquisition by the Insured of, or merger of the Insured with, any other business, whether or not of the same nature as the Insured's professional business;
- (where the Insured is a natural person) the Insured becoming a bankrupt or entering into a debt agreement under Part IX of the Bankruptcy Act or entering into an arrangement with creditors under Part X of the Bankruptcy Act; or (where the Insured is a firm or body corporate) the appointment of an administrator, receiver, provisional liquidator or liquidator to the Insured;

If an Insured's statutory registration or registration with their professional association is cancelled, suspended or has conditions imposed.

**Please note if there is insufficient space** provided to fully answer any question, please attach an additional sheet of paper with the extra information as required. All such attachments will form part of your application for insurance and be subject to the Declaration on the last page of this Proposal.

**Please answer all questions.** Any question left unanswered or answered as known to broker or insurer or otherwise answered in an incomplete way may delay the processing of your request for this insurance. **Ensure the cover you request is adequate for your requirements.**

**Your Insurance adviser** can assist you to complete this form. They will send it to us so that we may quote on your insurance request.

Please print and/or tick the appropriate answers to the all questions below.

This application is for  New Business  Renewal - Policy Number (if known) is: .....

1. Proposer(s)

Please provide the full name and ABN of ALL entities to be insured (it is essential to specify the names of all entities including service, administration or nominee companies and subsidiaries that are to be covered by the policy) hereinafter referred to as the Firm:

Name ..... ABN .....
.....
.....
.....

2. Address of head office or principal office:

Address: ..... Postcode: .....
Phone: ..... Fax: .....
Website: .....

3. Address of branch offices or other locations:

1. ....
2. ....
3. ....
4. ....

4. Date on which the Firm was established: Day: ..... Month: ..... Year: .....

5. Has the name of the Firm changed during the last six years?  Yes or  No

If Yes, please provide details: .....
.....
.....

6. Please describe the precise nature of your professional business practice: .....

.....
.....
.....

7. Has the nature of the business changed in the last six years?  Yes or  No

If Yes, please supply details (including any activities previously undertaken but which are no longer performed):
.....
.....

8. Have any amalgamations or acquisitions taken place during the last six years?  Yes or  No

9. Please advise the total number of partners / staff:

Table with 3 columns: Description, Full Time, Part Time. Rows include Partners / Directors, Qualified Employees (Accountants / Consultants), All other staff, and Total.

10. Is the Firm or any partner or director of the Firm connected or associated (financially or otherwise) with any other business or practice including any national and international affiliations?  Yes or  No

If Yes, please provide details: .....
.....
.....

**11. Please supply the following details for all Partners and Directors:**

Name	Age	Qualifications and Date Qualified (accounting and other qualifications)	Professional Associations belonged to	How long practicing as Partner / Director	
				This Firm	Previous Firm

**12. Please provide details of Partners/Directors' previous partnerships (if any):**

Name	Previous Firm	Period of Previous Partnership
.....	.....	.....
.....	.....	.....

**13. Is the Firm currently insured for Professional Indemnity risks?**  Yes or  No

If Yes, please provide the following details:

Insurer	Indemnity Limit	Premium	Period
.....	.....	.....	.....

**14. Cover Required**

- (i) Amount of indemnity required: \$ .....
- (ii) Excess requested: \$ .....

If available, is insurance required for the following policy extensions (some of which may involve additional premium):

- (iii) Fidelity guarantee?  Yes or  No
- (iv) Forged share transfer?  Yes or  No

**15. Has professional indemnity insurance or any other similar form of insurance for the Firm or for any of the Principals or for any partnerships or firm of which any of the Principals is/was a partner, director or chief executive been:**

- (i) Declined?  Yes or  No
- (ii) Cancelled by the Insurer?  Yes or  No
- (iii) Not renewed by the Insurer?  Yes or  No

If Yes, please provide details: .....

**16. Income**

- (i) Actual gross fees for the past 12 months: \$.....
- (ii) Estimated gross fees for the next 12 months: \$.....
- (iii) In relation to (i) above, please indicate (as a percentage) the approximate total fees derived from the following activities:
  - (a) Accounts Preparation / Bookkeeping: .....%
  - (b) Audit: .....%
  - (c) Receivership / Liquidations / Insolvency: .....%
  - (d) Financial Planning / Investment Advice / Management (please complete Question 18): .....%
  - (e) General Insurance Distributor: .....%
  - (f) Taxation: .....%
  - (g) Superannuation Fund Management / Trusteeship: .....%
  - (h) Company Directorships / Secretarial Positions: .....%
  - (i) Mergers and Acquisitions: .....%
  - (j) Management Consultancy: .....%
  - (k) Corporate Advisory: .....%
  - (l) Business Valuations: .....%

- (m) Executorships: .....%
- (n) Forensic Accounting: .....%
- (o) Mortgage Broking / Finance Broking: .....%
- (p) Other (please provide details of these activities below): .....%
- Details: .....

(iv) For the purposes of calculating stamp duty payable on premium, please provide a geographic breakdown of income:

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

**17. Largest Audit Clients**

(i) Please list the Firm's six largest audit clients, their type of business and their annual fee:

Name	Business	Annual Fee
1.....	.....	\$.....
2.....	.....	\$.....
3.....	.....	\$.....
4.....	.....	\$.....
5.....	.....	\$.....
6.....	.....	\$.....

(ii) Please provide details of the percentage of your audit work falling into the following categories:

- (a) Non-Profit and Private Companies .....%
- (b) Unlisted Public Companies: .....%
- (c) Listed Public Companies: .....%
- (d) Self Managed Superannuation Funds: .....%
- (e) Other Superannuation Funds: .....%
- (f) Financial Institutions (please provide details below) .....%
- Details: .....

**18. Investment Advice / Financial Planning**

(i) Please elaborate on the nature of the activities and advice given to clients: .....

.....

.....

(ii) Are you a member of the Financial Planners Association (FPA)?  Yes or  No

(iii) Do you or your Firm hold an Australian Financial Services Licence in your name?  Yes or  No  
 If Yes, have you arranged separate insurance cover elsewhere as an AFS Licence holder?  Yes or  No

(iv) Do you or your Firm hold separate insurance cover for the above activities?  Yes or  No  
 If Yes, please provide details: .....

.....

(v) If you are an Authorised Representative, please identify the licensee(s) through which proper authority is held:  
 .....

.....

**19.** Has any Proposer (including the Firm or any Partners or Directors of the Firm) been disqualified / suspended or subject to any disciplinary proceedings in any jurisdiction?  Yes or  No

If Yes, please provide full details: .....

.....

.....

20. Has any Proposer (including the Firm or any Partners or Directors of the Firm) been investigated by any regulatory authority or commission in any jurisdiction in respect of the sale, supply or distribution of any financial products?  Yes or  No

If Yes, please provide full details: .....  
.....  
.....

21. Has any Proposer ever been disqualified from acting as a director or officer of any entity?  Yes or  No

If Yes, please provide full details: .....  
.....  
.....

22. Has any Proposer every been declared bankrupt?  Yes or  No

If Yes, please provide full details: .....  
.....

23. Have any claims for negligence or breach of professional duty ever been made against the Firm or the Firm's predecessors in business, or against any of the present or former Partners or Directors, or against any partnership or Firm of which any of the Partners or Directors is/was a partner, director or chief executive?  Yes or  No

If Yes, please complete details on the Claims Addendum on Page 8.

24. After inquiry, is the Firm or any of the Partners or Directors, aware of any circumstances which may result in a claim being made against the Firm, or against any of the Partners or Directors, or against any partnership or Firm of which any of the Partners or Directors is/was a partner, director or chief executive?  Yes or  No

If Yes, please complete details on the Claims Addendum on Page 8.

**25. Fidelity / Dishonesty**

(i) Does the Firm have any fidelity guarantee insurance in force at the present?  Yes or  No

(ii) Has any insurer ever cancelled or refused to accept or continue any fidelity guarantee insurance for the Firm in respect of any partner / director / principal or employee of the firm?  Yes or  No

If Yes, please provide details: .....  
.....

(iii) (a) Has the Firm sustained any loss through fraud or dishonesty of any partner / director / principal or employee of the Firm?  Yes or  No

If Yes,

1. Please provide details: .....  
.....

2. Please advise what action the Firm has undertaken to prevent any recurrence: .....  
.....

(b) Does the Firm know of any fraud or dishonesty at any time of any partner / director / principal or employee of the Firm?  Yes or  No

If Yes, please provide details: .....  
.....

(iv) Is there a complete annual audit performed (by a firm of professional accountants)?  Yes or  No

If No, please advise why you do not: .....  
.....

(v) (i) Is any person allowed to sign cheques or authorise EFT payments on their signature alone?  Yes or  No

If Yes,

1. Up to what amount? \$.....

2. In what capacity are they engaged? .....

(vi) Other than the head cashier and/or your bookkeeper, how often are the entries in the cash book checked with the vouchers and reconciled with the bank statements by a partner / director / principal or employee of the firm?

- Weekly                       Monthly                       Quarterly

(vii) Do you use a facsimile cheque signing machine?  Yes or  No

If Yes, please give details of security arrangements when not in use: .....

(viii) Do you keep clients' money and clients' funds in properly designated clients' trust accounts completely separate from the Firm's own working accounts?  Yes or  No

26. Describe the risk management and quality assurance process used by the Firm to assist in prevention of potential breaches of professional duty and control of actual breaches of professional duty:

.....

.....

.....

27. Is cover required for an independent Accountant to whom work is subcontracted?  Yes or  No

If Yes, please provide the following details:

Name	Qualifications	Fees Paid (annually)	Does Accountant have own cover?	If Yes, what is the limit?
			<input type="checkbox"/> Yes or <input type="checkbox"/> No	\$
			<input type="checkbox"/> Yes or <input type="checkbox"/> No	\$
			<input type="checkbox"/> Yes or <input type="checkbox"/> No	\$
			<input type="checkbox"/> Yes or <input type="checkbox"/> No	\$

28. Does the Firm maintain a register to ensure that taxation deadlines are not missed?  Yes or  No

29. (i) Does the Firm have written work procedures or checklists for services provided?  Yes or  No

(ii) How often does the Firm review working procedures to ensure they are current and in line with the latest best practice and what form does that review take?

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.....

.....

(iii) Is the Firm accredited to or in the process of becoming accredited to the ISO9000 series of Quality Systems or subject to any other form of external assessment?  Yes or  No

If Yes, please provide details: .....

.....

.....

30. (i) Is a letter of engagement, in line with the terms or recommendations provided by your professional association, sent to every client?  Yes or  No

(ii) Please describe the Firm's procedure prior to the letter of engagement being sent to ensure that the client's requirements are clearly identified and can be met:

.....

.....

31. What records are kept of telephone conversations and attendance at meetings: .....

.....

.....

32. What steps does the Firm take to review work undertaken by staff: .....

.....

.....

.....

.....

### Claims Addendum

This section MUST be completed if you have answered Yes to Questions 23 or 24.

**Claim No. 1**

- (a) Date matter notified to Insurers or Insurance Brokers: .....
- (b) Name of Claimant or Potential Claimant: .....
- (c) Brief Description of matter:.....  
.....  
.....
- (d) Estimated Loss or possible Loss: .....
- (e) Is this matter finalised or outstanding:     Finalised                       Outstanding
- (f) If Finalised, please advise total of all costs (available from your Broker): .....

**Claim No. 2**

- (a) Date matter notified to Insurers or Insurance Brokers: .....
- (b) Name of Claimant or Potential Claimant: .....
- (c) Brief Description of matter:.....  
.....  
.....
- (d) Estimated Loss or possible Loss: .....
- (e) Is this matter finalised or outstanding:     Finalised                       Outstanding
- (f) If Finalised, please advise total of all costs (available from your Broker): .....

**Claim No. 3**

- (a) Date matter notified to Insurers or Insurance Brokers: .....
- (b) Name of Claimant or Potential Claimant: .....
- (c) Brief Description of matter:.....  
.....  
.....
- (d) Estimated Loss or possible Loss: .....
- (e) Is this matter finalised or outstanding:     Finalised                       Outstanding
- (f) If Finalised, please advise total of all costs (available from your Broker): .....

**Claim No. 4**

- (a) Date matter notified to Insurers or Insurance Brokers: .....
- (b) Name of Claimant or Potential Claimant: .....
- (c) Brief Description of matter:.....  
.....  
.....
- (d) Estimated Loss or possible Loss: .....
- (e) Is this matter finalised or outstanding:     Finalised                       Outstanding
- (f) If Finalised, please advise total of all costs (available from your Broker): .....

**If you have a brochure or promotional material about the Firm's operations, please forward it with this application.**

**Declaration and agreement:**

I/We acknowledge that no cover is provided unless and until, underwriters advise in writing of the cover and terms which they can provide, this cover and terms is then accepted by the Insured, Underwriters are advised of acceptance of their cover and terms offer and SRS acknowledges to the Insured that Cover is provided.

If additional pages are attached for inclusion in this proposal they form part of this proposal.

The answers and information given by me/us in this proposal are true and correct in all respects.

Where answers in this proposal are not in my/our own handwriting, they have been checked by me/us and I/we agree that they are correct and that the other person who completed this form did so as my Agent.

I/We acknowledge having been clearly informed of and understand the effect of all of the Notices on Page 1 and 2 of this Form.

I/We authorise SRS to give to, or obtain from other insurers or an insurance or credit reference bureau, any information relating to or which may impact on this insurance cover, and any other insurances held by me/us and claims under those insurances.

By signing this application, I/We agree to SRS collecting, using and disclosing my/our personal information, including sensitive information if applicable, in accordance with the Privacy Statement and the SRS Privacy policy.

**Name of Business:** .....

**Signature/s:**.....

(This Proposal should be signed by a Principal, Partner or Director of the Proposed Insured)

**Title of Signatory:** .....

**Full Name of such Person:** .....

**Date:**.....