



Professional Indemnity Insurance for Design & Construct Contractors OQS

PROPOSAL FORM

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Liberty
Specialty Markets



Claims Made Insurance

This is a proposal for a 'Claims Made' policy of insurance. This means that the policy covers you for any claims made against you and notified to the insurer during the policy period. The policy does not provide cover in relation to:

- acts, errors or omissions that occurred prior to the retroactive date (if one is specified) in the policy;
- any claim made, threatened or intimated against you prior to the commencement of the policy period;
- any claim or fact that might give rise to a claim, reported or which can be reported to an insurer under any insurance policy entered into before the commencement of the policy period;
- any claim or fact that might give rise to a claim, noted in this proposal or any previous proposal;
- any claim arising out of any fact you are aware of before the commencement of the policy period;
- any claim made against you after the expiry of the policy period.

However, the effect of Section 40(3) of the Insurance Contracts Act 1984 (Cth) is that where you become aware, and notify us in writing as soon as is reasonably practicable after first becoming aware but within the policy period, of any facts which might give rise to a claim against you, any claim which does arise out of such facts shall be deemed to have been made during the policy period, notwithstanding that the claim was made against you after the expiry of the policy period.

Your 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 (Cth), 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, 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 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 its 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 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.

Privacy Notice

Liberty International Underwriters (Liberty) is a trading name of Liberty Mutual Insurance Company, which is a company incorporated in the United States. It is a member of Boston-based Liberty Mutual Group (LMG). Liberty Australia's head office contact details are:

Address: Locked Bag 18, Royal Exchange NSW 1225, Australia
Phone: +61 2 8298 5800

Liberty is bound by the Privacy Act 1988 (Cth) and its associated Australian Privacy Principles when it collects and handles your personal information.

Liberty collects personal information, including from insurance brokers, in order to provide its services and products, manage claims and for purposes ancillary to its business. Liberty passes it to third parties involved in this process such as Liberty's related companies, reinsurers, agents, loss adjusters and other service providers. We may store your information with third party cloud or other types of networked or electronic storage providers. Third parties may be located locally or overseas in the United States, Canada, United Kingdom, Singapore, Hong Kong and Malaysia. Your information may be transferred to countries without comparable privacy laws if it is reasonably necessary to provide you with the products or services you seek from Liberty. If you do not provide the personal information Liberty or other relevant third parties require to offer you specific products or services, Liberty may not be able to provide the appropriate type or level of service.

If you wish to gain access to or correct your personal information, make a privacy complaint, or if you have any query about how Liberty collects or handles your personal information please write to Liberty's Privacy Officer at the address above or by emailing: privacy.officer.ap@libertyglobalgroup.com. To obtain a copy of Liberty's Privacy Policy go to Liberty's website (www.libertyspecialtymarkets.com.au) or request a copy from Liberty's Privacy Officer.

When you give Liberty personal or sensitive information about other individuals, Liberty relies on you to provide its Privacy Notice to them. If you have not done this, you must tell Liberty before you provide the relevant data.

Professional Indemnity Insurance

Important: Please answer all questions fully. All questions will be deemed to be answered in respect of all entities & persons to be insured under this policy. If the space provided is insufficient please include attachments on your company letterhead.

Details of the Proposer

1. Please state the full name of all entities (including any subsidiaries, additional or previous entity(ies)) and persons to be insured (collectively referred to in this form as the "Proposer")

2. ABN: _____

3. Address of the principal office (please provide a street address only)

Street	City	
State	Country	Postcode

4. Principal Contact details

Name	Telephone
Email	
Website	

Company History & Activities

5. Please provide the breakdown in total revenue requested below. For the purposes of this question, **Professional Services** means:

- design and advice in relation to design
- drafting
- technical calculation
- technical specification
- project management
- construction management
- feasibility studies
- programming and time flow management
- quantity surveying
- surveying
- technical advice
- inspection
- training in respect of the above

Type of Activities	Last Completed Financial Year	Current Financial Year Forecast
i) Revenue derived from Design & Construction contracts where the performance of Professional Services was provided by the Proposer.	\$	\$

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ii) Revenue derived from Design & Construction contracts where the Proposer had responsibility contractually for the performance of Professional Services , but those Professional Services were sub-contracted to third parties.	\$	\$
iii) Fees received for the performance of Professional Services ONLY.	\$	\$
iv) Fees received where the Proposer was engaged as Project/Construction Management Consultants	\$	\$
v) Revenue derived from contracts where the Proposer undertook construction, erection, installation or manufacturing activities but had no responsibility contractually or otherwise for the performance of Professional Services	\$	\$
vi) Revenue derived from the sale of products where the Proposer had responsibility contractually or otherwise for the performance of Professional Services.	\$	\$
Please provide a detailed description of the activities from which Other Revenue is derived		
vii) Other Revenue:	\$	\$
<hr/>		
viii) Other Revenue:	\$	\$
<hr/>		
Total	\$	\$

6. a) Please provide an approximate percentage of the Proposer's total revenue derived from each of the following disciplines in the last financial year.

Disciplines	% of Fee Income
Architecture	%
Asbestos Inspection (no removal)	%
Building Surveying and Certification	%
Chemical Engineering	%
Civil Engineering – All Other	%
Civil Engineering – Foundations and Underpinning	%
Construction Management	%
Drafting	%
Electrical Engineering	%
Environmental Consulting	%

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Environmental Engineering and Environmental Site Assessments	%
Expert Witness	%
Geotechnical Consulting	%
Geotechnical Inspection and Quality Assurance	%
Interior Design	%
Land and Boundary Surveying	%
Land Surveying	%
Landscape Architecture	%
Marine Surveying	%
Mechanical/ Hydraulic Engineering	%
Mining Engineering and Consulting	%
NATA Accredited – All Other	%
NATA Accredited Construction Materials Testing	%
OH&S Consulting	%
Pre-Purchase Inspections	%
Processing Engineering	%
Project Management	%
Quantity Surveying	%
Rail Signalling	%
Structural Engineering	%
Town Planning	%
Other (Please specify below)	%
	%
	%
	%
Total must be	100%

b) Please provide an approximate percentage of the Proposer's total revenue derived from each of the following activities in the last financial year.

Activities	% of Fee Income
Airports Airside	%
Airports Non-Airside	%
Boats and Vessels	%
Bridges	%
Commercial (1-3 floors)	%

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Commercial (4+ floors)	%
Construction Materials Testing	%
Contamination and Mining Resource Advice	%
Dams	%
Expert Witness	%
Feasibility Studies	%
Flora and Fauna Reports	%
Geotechnical Consultants	%
Harbours and Jetties	%
Industrial	%
Landscaping	%
Mechanical Plant & Bulk Handling Equipment	%
Mine Infrastructure	%
Mining (other)	%
Mining (processing precious metals)	%
Municipal (hospitals, schools and the like)	%
Oil and Gas Refinery	%
Power Stations	%
Rail (No Tunnelling)	%
Residential High Rise (4+ floors)	%
Residential Low Rise (1-3 floors)	%
Retail	%
Roads	%
Silos	%
Sporting Complexes	%
Surveys - Not building related	%
Town Planning	%
Transmission/Distribution Infrastructure (gas, oil, water, telecoms)	%
Tunnels	%
Waste Water	%
Other (Please specify below)	%
	%
	%
Total must be	100%

Professional Indemnity Insurance

7. Please advise the number of staff in the following categories.

Partners or directors

Professional / technical staff

Administration / support staff

Other staff (please specify)

Total

8. When was the Proposer first established?

9. Has the Proposer been involved in a merger or acquisition over the last 5 years?

Yes

No

- a) If "Yes", are the past liabilities of the other party to be covered under this policy?
- b) If past liabilities of the other party are to be covered under this policy please provide further details.

Yes

No

Financial Information & Risk Management

10. Please provide a breakdown of the Proposer's total revenue in AUD for each location.

Location	Last Completed Financial Year	Estimated Next Financial Year	
		Current Financial Year	
Australia & New Zealand	\$	\$	\$
USA & Canada	\$	\$	\$
Other	\$	\$	\$

If activities are performed outside Australia, please list the country and the services / products provided there:

Country	Services / Products

Professional Indemnity Insurance

a) Does any one client represent 25% or more of the Proposer's total revenue? Yes No

If "Yes", please provide details.

b) What is the value of Professional Service fees for the last completed financial year? \$ _____

c) What is the value of Professional Service fees for the current year forecast? \$ _____

11. For the purposes of stamp duty please provide a breakdown of the Proposer's total revenue generated in the last financial year:

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

12. Does the Proposer engage sub-contractors to provide any professional services? Yes No

If "Yes",

a) What percentage of professional services are provided by sub-contractors? _____ %

b) Is proof of current professional indemnity insurance obtained from sub-contractors? Yes No

c) Does the Proposer allow sub-contractors to limit their liability in contract? Yes No

d) In respect of which professional services sub-contracted will you agree to a limitation of liability clause?

Professional Indemnity Insurance

13. Does the Proposer have any of the following risk management policies and procedures in place?

(if unknown, select No):

a) Does the Proposer always cap their liability with their clients at a figure equal to or less than their fee?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
b) Does the Proposer hold ISO or any other third party accreditation for the risk management procedures it utilises?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
c) Are oral reports or advice always confirmed in writing by the Proposer?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
d) Does the Proposer always enter into a written contract with their client?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
e) Does the Proposer always exclude liability for consequential losses in their contracts with clients?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
f) Are standard forms of contract or terms of engagement always used by the Proposer?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If "Yes", please **attach** copies of those contracts and describe the procedure to alter such standard forms of contract or terms of engagement.

If "No", please provide details of the basis of engagement used by the Proposer.

g) Are all non-standard contracts legally reviewed prior to signing?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
h) Does the Proposer ever agree to hold harmless any third party for claims arising out of its services?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
i) Are the scope of Professional Services to be performed always clearly set out in the contract or terms of engagement?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
j) Are formal procedures in place relating to:		
i) quality control and / or compliance?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
ii) the engagement of consultants, sub-contractors or agents?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
iii) the identification and reporting of incidents or facts which might give rise to a professional liability claim?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
iv) peer review and dual sign-off or approval in respect of any aspect of the business or professional services provided by the Proposer?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
v) the evaluation and approval of new clients, contracts and tenders?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
vi) the identification and management of conflict of interest?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
vii) training staff on the above procedures?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

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viii) compliance by Branch Offices with corporate policies & procedures? Yes No

No branch offices

Were these procedures established within the first 12 months of operations or for a minimum of at least 3 years? Yes No

Are these procedures regularly reviewed and audited to ensure compliance? Yes No

Please describe by **attachment** the formal procedures in place relating to the above or advise how these exposures are otherwise managed.

Claims History & Insurance

Please Note: It is critical that you make appropriate enquiries of all persons and entities intending to be insured under this insurance before you answer Questions 14 – 18.

14. Has the Proposer ever had an insurance policy cancelled, or any entitlement to indemnity under any insurance policy denied, or otherwise affected due to non-disclosure, misrepresentation, or non-payment of premium? Yes No

If "Yes", please provide date and details including outcome.

15. After full enquiry, has any partner, director or employee of the Proposer ever been subject to any inquiry or disciplinary proceedings? Yes No

If "Yes", please provide date and details including outcome.

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16. Has a professional liability claim ever been made against the Proposer (or any previous company name used by the Proposer), or any past or present partner, director or employee of the Proposer? (If more than one, please provide details via attachment).

Yes No

If "Yes", please provide details:

Year Notified

Status of claim

Open Closed

Amount Paid

\$

Outstanding Reserve

\$

Amount Claimed

\$

Details

17. Is the Proposer including any of its partners, directors or employees aware of any facts which might give rise to a professional indemnity claim against any of them?

Yes No

If "Yes", please provide details:

Date Notified

Potential Loss Amount

\$

Details

Has the matter been notified to the Proposer's insurer?

Yes No

18. Does the Proposer currently hold insurance policies for the following types of insurance:

a) Professional indemnity?

Yes No

Insurance Company

Date Due

Limit \$

Excess \$

Premium \$

Retroactive Date

Professional Indemnity Insurance

b) Specific project professional indemnity policies for projects that are currently underway or completed in the last 12 months? (If more than one, please provide details via attachment).

Yes No

Policy

Insurance Company

Policy Number

Limit \$

c) General liability?

Yes No

Insurance Company

Policy Number

Limit \$

Premium \$

d) Contract works?

Yes No

Insurance Company

Policy Number

Limit \$

Premium \$

Limits, Excess & Policy Dates

19. Please select the options for limits of liability the Proposer would like quotations for (a maximum of 3 allowed):

Limit:

\$1,000,000 \$4,000,000 \$7,000,000 \$10,000,000

\$2,000,000 \$5,000,000 \$8,000,000 Other

\$3,000,000 \$6,000,000 \$9,000,000

If "Other", please specify: \$

20. Please select the options for excess the Proposer would like quotations for (a maximum of 3 allowed):

Excess:

\$2,500 \$10,000 \$20,000 \$50,000

\$5,000 \$15,000 \$25,000 Other

If "Other", please specify: \$

Professional Indemnity Insurance

21. **Optional Extensions**

Please Note: If you request any of these extensions, Liberty is not obliged to offer them. If Liberty decides to offer any of these extensions it may charge an additional premium.

a) **Contractual Liability**

Would you like the policy to be extended to provide cover for claims under an indemnity and/or hold harmless term of a client contract (to the extent that such civil liability results from your performance of professional services)?

Yes No

b) **Fidelity**

i) Has the Proposer ever suffered a loss due to the fraud or dishonesty of an employee?

Yes No

ii) Is any employee, other than a director or partner able to transfer funds or sign cheques on his/her signature?

Yes No

iii) Please select the sub-limit the Proposer requires:

\$50,000

\$100,000

\$250,000

Other

If "Other", please specify: _____

c) **Loss Mitigation & Rectification**

Would you like the policy to be extended to pay for the reasonable direct costs and expenses you incur in taking action to rectify or mitigate the effects of any act or omission that would otherwise result in a claim covered under the policy?

Yes No

d) **Novated Contracts**

Would you like the policy to be extended to provide cover for liabilities you have assumed by reason of novation?

Yes No

Please **attach** a copy of the relevant contracts and provide details of the Professional Services performed and the persons and entities involved.

e) **Reinstatement**

Would you like the policy to be extended so that in the event the limit of liability is exhausted, it is then reinstated once to cover future unrelated claims?

Yes No

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f) **Statutory Liability**

i) Has the Proposer ever suffered any civil fines and/or penalties in the last 5 years?

Yes No

ii) Please select the sub-limit the Proposer requires:

\$250,000

\$500,000

\$1,000,000

\$2,000,000

Other

If "Other", please specify: _____

g) **Proportionate Liability**

Would you like the policy to be extended to provide cover for liability you have assumed under a contract by reason of having contracted out of the operation of proportionate liability legislation? For example the Civil Liability Act.

Yes No

i) Does the Proposer ever agree to contract out of proportionate liability legislation? E.g. Civil Liability Act 2002 (NSW)

Yes No

If "Yes", please provide details.

h) **Cyber**

Would you like the policy to be extended to provide cyber liability, fines and penalties imposed due to privacy breaches, privacy regulatory expenses and mandatory notification costs incurred in respect of privacy breaches (all arising from the performance of professional services) and cyber extortion?

Yes No

If "Yes", what percentage of revenue is generated online?

% _____

Additional Questions

22. Please list the 5 largest contracts the Proposer has entered into over the last 5 years.

Client	Contract Period	Revenue	Services Provided
	From:		
	To:		
	From:		
	To:		
	From:		
	To:		
	From:		
	To:		

23. What is the average value of the Proposer's contracts? \$ _____

24. Does the Proposer ever take an equity stake in any of the projects/contracts they are commissioned to work on? Yes No

If "Yes", how does the Proposer limit their liability?

25. Has there been any substantial change in the business or professional activities of the Proposer in the last 2 years? Yes No

If "Yes", please provide details.

26. Does the Proposer envisage any change in the business or professional activities, or the commencement of any new activity, during the next 12 months? Yes No

If "Yes", please provide details.

Professional Indemnity Insurance

27. Are there any business or professional activities which are no longer conducted by the Proposer (or by any previous company name used by the Proposer)?

Yes No

If "Yes", please provide details including fee income derived therefrom, the period such activity was conducted and the reason for its discontinuation.

28. Please describe in detail the nature of the business and professional services provided by the Proposer.

29. Has the Proposer ever engaged in activities which:

a) comprise or include prototype or innovative construction techniques, designs or materials?

Yes No

If "Yes", please provide details.

b) are unusual with regard to the performance quality, durability or tolerance required?

Yes No

If "Yes", please provide details.

30. a) Has a claim ever been made against the Proposer under the Security of Payments Act or otherwise in relation to the payment of subcontractors or suppliers?

Yes No

If "Yes", please provide details.

Professional Indemnity Insurance

b) Is the Proposer in breach or expect to be in breach of any payment terms with any suppliers or subcontractors?

Yes No

If "Yes", please provide details.

31. Has the Proposer experienced any difficulties with cash flow, given consideration to potential insolvency or administration, or is there any reason to believe that the Proposer may experience financial distress during the term of the policy period?

Yes No

If "Yes", please provide details.

Declaration

(To be signed by a partner or director.)

I, the undersigned, declare and acknowledge:

- that I am, after enquiry, authorised by all persons and entities seeking insurance, to make this proposal;
- that after enquiry, all information supplied in this proposal and any supporting documents attached to this proposal or supplied separately, is true and correct and that until a Contract of Insurance is entered into, I am obliged to inform Liberty Specialty Markets of any changes to any information supplied or of any new information that is relevant;
- that I understand Liberty Specialty Markets relies on the accuracy of the information and documentation supplied in proposing for this insurance;
- that I have read and understood the Important Notices which form part of this proposal;
- that I understand that no insurance is in force until a Contract of Insurance is entered into, which is upon the Proposers acceptance of an offer by Liberty Specialty Markets, if any.

Signed

Print Name

Title

Dated

Have you Remembered to Attach the Following?

Question 13(f)	Please attach copies of the Proposers standard contracts and describe the procedure to alter such standard forms of contract or terms of engagement.
Question 13(j)	A description of the risk management procedures
Question 21(d)	Please attach a copy of the relevant Novated Contracts and provide details of the Professional Services performed and the persons and entities involved.