
REAL ESTATE AGENTS & PROPERTY MANAGERS PROFESSIONAL INDEMNITY PROPOSAL FORM

NEW BUSINESS

IMPORTANT NOTICES

CLAIMS-MADE INSURANCE

This policy is issued on a **claims-made** basis. This means that the policy only covers claims first made against you during the Policy Period (as defined) and notified to the Insurer in writing during the Policy Period. The 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.

Section 40(3) of the Insurance Contracts Act 1984 provides that where you give notice in writing to the Insurer of facts that might give rise to a Claim against you as soon as is reasonably practicable after you become aware of those facts but during the Policy Period, the Insurer cannot refuse to pay a Claim which arises out of those facts, when made, because it is made after the Policy Period has expired.

YOUR DUTY OF DISCLOSURE

Section 21 of the Insurance Contracts Act 1984 provides that before you enter into a contract of general insurance with an Insurer, you have a duty 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.

However, your duty of disclosure does not require you to disclose matters:

- that diminish the risk to be undertaken by the Insurer;
- that are 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 of disclosure is waived by the Insurer.

Your duty of disclosure continues after the proposal form has been completed up until the Policy Period commences.

CONSEQUENCES OF NON-DISCLOSURE

If you fail to comply with your duty of disclosure, the Insurer may be entitled to reduce its liability under the contract in respect of a Claim or may cancel the contract. If your non-disclosure is fraudulent, the Insurer may also have the option of avoiding the contract from its beginning.

INSURANCE ARRANGED BY: CoverLink Pty Ltd (CoverLink), ABN 49 148 219 461 is an Authorised Representative (AR: 437921) of Elkington Bishop Molineaux Insurance Brokers Pty Ltd (EBM), ABN 31 009 179 640 / AFS Licence No: 246986.

COVERLINK & EBM OFFICES: CoverLink and EBM have offices in New South Wales, Victoria, Western Australia and Queensland

COVERLINK & EBM PRIVACY CLAUSE

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. We only provide your information to insurance companies, underwriting agencies, wholesale brokers and premium funders with whom you choose to deal (and their representatives). We do not trade, rent or sell your information.

If you don't provide us with full information, we can't properly advise you and you could breach your duty of disclosure. You can check the information we hold about you at any time.

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

PROPOSER DETAILS

INSURED (LEGAL NAME)			
TRADING NAME			
ABN		WEBSITE	

Please pay particular attention to the Insured Name as if this is incorrect it may affect your entitlement to indemnity under the policy. The insured name should include all company/trustees/partnerships and trading names.

STREET ADDRESS			
POSTAL ADDRESS (If different to Street)			
TELEPHONE NUMBER		FACSIMILE NUMBER	
CONTACT NAME			
CONTACT EMAIL ADDRESS			
CLIENT REF (if applicable)		RENEWAL DATE (if applicable)	

IMPORTANT

Please complete the following questions. Where there is insufficient space, please provide any additional comments on a separate sheet.

NB: your premium is based on a number of criteria including but not limited to, limit of liability, income, number of staff, percentage of income applicable to property management (residential & commercial), State in which business is located, scope of cover and deductible.

Are any of the directors/partners of the insured currently licensed as a real estate agent? Note – It is a requirement of this insurance policy that there is a current licensed real estate agent in the business, otherwise we can not offer cover	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the company or any of the directors/partners of the Insured a current paid-up member of the Real Estate Institute of Australia or their State equivalent body?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Is the company a member of a franchise group? If YES, name of franchise group:	Yes <input type="checkbox"/> No <input type="checkbox"/>

BUSINESS DETAILS

Date Business first established	
Does the Insured sell "off-the-plan" residential property in buildings?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes", what percentage does this represent of the total Professional fees	%

CURRENT STAFF NUMBERS (Use proposed staff members if a New Business)

	Number of Staff
DIRECTORS/PARTNERS	
FULL TIME EMPLOYEES.....	
PART TIME EMPLOYEES CONVERT TO FULL TIME EQUIVALENT *	
(* Full Time Equivalent e.g. 2 Part Time employees working 20 hours each per week is the equivalent of 1 Full Time employee working 40 hours a week)	
TOTAL	

GROSS INCOME

State the amount of Gross Income earned in the last 12 months (or expected to be earned in the next 12 months if a new business) from the following activities:

	GROSS INCOME
Real Estate Sales – Residential	\$
Property Management – Residential	\$
Real Estate Sales – Commercial	\$
Property Management – Commercial	\$
Strata Title Management – Residential	\$
Strata Title Management – Commercial/Industrial	\$
Livestock & Station Sales	\$
Auctioneering	\$
Valuations (by a qualified valuer) * Indemnity in respect of Valuations is not provided by this insurance unless specifically agreed by special endorsement on the policy.	\$
Other – please specify	\$
TOTAL GROSS INCOME	\$

CURRENT INSURANCE DETAILS

As at today's date, does the Insured have Professional Indemnity Insurance	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes", name of existing insurer	
Original inception date of existing policy	
Expiry Date of existing policy	
Current Limit of Liability	
Current Deductible / Excess	
What Limit of Liability do you require?	tick one
\$1,000,000 any one loss /\$3,000,000 in the aggregate	<input type="checkbox"/>
or \$2,000,000 any one loss/\$6,000,000 in the aggregate	<input type="checkbox"/>
or \$5,000,000 any one loss/\$15,000,000 in the aggregate	<input type="checkbox"/>
or Other amount, please specify <input type="checkbox"/> \$_____	

RISK MANAGEMENT PROCEDURES

Do the directors/partners and qualified employees of the Insured regularly attend continuing education programmes conducted by the Real Estate Institutes or similar organisations?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Please attach details of other Risk Management activities		
Does the Insured provide Property Management and/or Strata Title Management services?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If "Yes", Does the Insured use the standard Property Management and/or Strata Title Management agreements as recommended by the Real Estate Institutes?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does the Insured maintain a Complaints/Repairs Register to record all reports it receives about problems with the properties the Insured is managing?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does the Insured use Sub-Contractors/Consultants?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If "Yes", does the Insured ensure that all Sub-Contractors/Consultants have their own Professional Indemnity insurance?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

FIDELITY QUESTIONNAIRE – POLICY LIMIT \$75,000

Has the Insured any fidelity guarantee (misappropriation of monies) insurance in force at present?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Has any insurer ever cancelled or refused to accept or continue any fidelity guarantee for the Insured in respect of any director/partner/principal or employee of the Insured or any previous practice/business? If Yes, please provide FULL details	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Has the Insured sustained any loss through fraud or dishonesty of any director/partner/principal or employee of the Insured or any previous practice/business? If Yes, please provide FULL details	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does the Insured know of any fraud or dishonesty at any time of any director/partner/principal or employee of the Insured or any previous practice/business? If Yes, please provide FULL details	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Is there a complete annual audit by a firm of professional accountants? If NO, please advise why?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does the Insured obtain satisfactory references when engaging personnel? If No, will you do so in the future?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Is any person allowed to sign cheques on their signature alone? If Yes, in what capacity are they engaged? _____ Up to what amount?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
How often are the entries in the cash books checked with the vouchers and reconciled with the bank statements by a partner/director or company secretary (other than the head cashier and/or book-keeper)?	Weekly <input type="checkbox"/>	Monthly <input type="checkbox"/>
	Quarterly <input type="checkbox"/>	
Does the Insured use a facsimile cheque-signing machine? If Yes, please give details of security arrangements when not in use.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Does the Insured keep clients' money and clients' funds in properly designated client's accounts completely separate from the Insured's own monies ? If NO, please advise why?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

CLAIMS INFORMATION

1. In the last 5 years has the Insured (or any previous practice or business) or their Insurer paid or settled any professional indemnity claim or claims? Yes No

If "Yes", (a) please provide full details including the nature of the allegations, date of claim and any amounts paid out including damages, settlements, claimant's costs and defence costs.

And (b) what risk management has been implemented to avoid/prevent any similar claim or claims in the future?

2. Are you aware of any outstanding circumstances or ongoing claims or anything that might give rise to a claim or circumstance in the future (including from any previous practice or business)? Yes No

If "Yes", please provide full details

3. Has the Insured (or any previous practice or business) or any of its directors/partners or employees ever been the subject of a disciplinary inquiry, proceeding or investigation alleging professional misconduct? Yes No

If "Yes", please provide full details including dates, the nature of the allegations, and any amounts paid for defence costs or any fines or penalties imposed.

Please review and complete the Declaration on the following page

DECLARATION BY THE INSURED (PROPOSER)

We declare that we have made all necessary enquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars given in the proposal are true and complete and that no material facts have been omitted, misstated or suppressed.

We agree that should any of the information given by us alter between the date of this proposal and the commencement of the insurance to which this proposal relates, we will give immediate notice thereof to the Insurer.

We acknowledge receipt of the "Important Notices" contained in this proposal and that we have read and understood the content of that notice.

I confirm that I am authorised by the Insured to complete, sign and submit this proposal on behalf of the Insured.

NAME: _____ **TITLE/POSITION:** _____

SIGNATURE: _____ **DATE:** _____

STAMP DUTY and GST DECLARATION

Please provide a breakdown in the number of employees by location as follows:

<u>NSW</u>	<u>VIC</u>	<u>QLD</u>	<u>SA</u>	<u>WA</u>	<u>TAS</u>	<u>ACT</u>	<u>NT</u>	<u>O'SEAS</u>	<u>TOTAL</u>