



Professional Liability Package

Key Questions Declaration

Details of the Proposer

1.
 - (a) Name of the Insured
 - (b) Trading Name
 - (c) Insured's ABN
 - (d) Address of the Insured
Street Address:
Suburb:
State: Postcode:
 - (e) Email Address:
2. Are any of the directors/partners of the Insured a **current** member of IRENE?
 Yes No
3. Are any of the directors/partners of the Insured **currently** licensed as a real estate agent?
 Yes No

Details of the Business

- 1.1. Please state Current Staff Numbers of the Insured as follows:
 - (a) Directors/Partners
 - (b) Employees (include full-time, part-time and casual)
 - (c) Total Current Staff
- 1.2. Please advise the total annual gross professional fees for the past 12 months:
\$.....
- 1.3. Please state the percentage of your total income derived from:

Residential Property Sales:%
Commercial Property Sales:%
Residential Property & Strata Management:%
Commercial Property & Strata Management:%
Business Broking:%
Residential Property Valuations:%
Auctioneering:%
Other: Please Specify:%
Total:%

1.3. Are you involved in "Off the Plan" Real Estate Sales?

Yes No

If yes please advise what percentage of your total income this represents:%

1.4 If the answer to question 1.3 is greater than 20% please:

- a) Provide examples of marketing material relied upon for off the plan sales
- b) Advise how many property developers the prospective Insured acts on behalf of?

c) Advise if any one property developer represents more than 25% of the declared income?

Yes No

If yes, what is the percentage?

- d) Advise if the prospective Insured has a financial interest in the development companies they sell off the plan properties for and visa versa?

Yes No

Claims Information

Please note that this policy does NOT cover known or prior claims or circumstances. Please see the Important Notice at the front of this proposal form for more information.

1.5. Has any claim been made against the Insured or any of its directors, officers, partners, or employees during the last 5 years which has exceeded or could potentially exceed \$10,000 in total (excluding valuation claims), including amounts for any damages, settlements, claimant's costs or defence costs?

Yes No

If "Yes", 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.

1.6. Has the Insured 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.

Risk Management Procedures

- 1.7. 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 No
- 1.8. (a) Does the Insured provide Property Management and/or Strata Title Management services?
 Yes No

If "Yes",

- (b) Does the Insured use the standard Property Management and/or Strata Title Management agreements as recommended by the Real Estate Institutes or the Society of Auctioneers and Appraisers (SA) Inc?
 Yes No
- (c) Does the Insured maintain a Complaints/Repairs Register to record all reports it receives about problems with the properties the Insured is managing?
 Yes No

Details of Insurance

- 1.9. **As at today's date**, does the Insured have Professional Indemnity Insurance in force which has been paid for?
 Yes No

If the answer to question 1.9 is yes please advise:

Due Date: / /

Insurer:

- 1.10. What Limit of Liability do you require?
 \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000 \$10,000,000

Important Notice.

Claims-Made and Notified Insurance

This policy is issued by American Home Assurance Company on a **claims-made and notified** basis. This means that the policy only covers Claims (as defined) 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.

To the extent that the Continuity Condition set out in this policy does not apply, this policy does not cover Claims arising out of, based upon, attributable to or anyway connected with any:

- (a) actual or alleged facts that might give rise to a Claim which were known to the Insured prior to the commencement of the Policy Period;
- (b) actual or alleged facts which were notified or which can be notified under any policy in force prior to the commencement of the Policy Period;
- (c) pending or prior litigation, or litigation derived from the same or essentially the same facts as might be alleged in such pending or prior litigation, as at the commencement of the Policy Period.

For the purposes of this Exclusion the term *litigation* includes but is not limited to any civil, criminal, administrative or regulatory proceeding as well as any official investigation, examination, inquiry, arbitration or adjudication.

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.

Subrogation

This policy contains provisions which have the effect of excluding or limiting the insurer's liability in respect of a loss where you have prejudiced the insurer's rights of subrogation where you are a party to an agreement which excludes or limits insurer's rights to recover the loss from another party. You are hereby notified of the effect of these provisions.

Declaration.

All items below need to be ticked.

1. I declare that I have made all necessary inquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars given in this proposal are true and complete and that no material facts have been omitted, misstated or suppressed.
2. I acknowledge receipt of the Important Notices and confirm that I have read and understood the content of these notices.
3. I confirm that, as at the date of this declaration, the Company is able to pay any or all of its debts as and when they fall due.

Name: _____

Signature: _____

Title: _____

Date: _____