

Important Notices

Please read these notices before completing the Proposal Form.

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.

Claims Made Policy

The Policy is issued on a claims made and notified basis. This means that the Policy only covers the Insured for claims first made against the Insured during the Period of Insurance and notified to us during the Period of Insurance.

Section 40(3) of the Insurance Contracts Act 1984 may provide additional rights at law. That section provides that 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 during the period of insurance, 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.

Retroactive Date

The Policy does not provide cover in relation to the provision of the Professional Services or the conduct of the Professional Business prior to the Retroactive Date.

Privacy

Pen Underwriting handles your personal information with care and in accordance with the Privacy Act 1988 and the Australian Privacy Principles. We collect personal information about you to provide you with insurance and insurance related services. We may disclose your personal information to third parties for the purposes described in our Privacy Policy, including related entities, insurers, reinsurers, agents and service providers, some of whom may be located in the United Kingdom and India. By asking us to provide you with insurance and insurance related services, you consent to the collection, use and disclosure (including overseas disclosure) of your personal information for the purposes described in our Privacy Policy. Where you provide personal information about others, you represent to us that you have made them aware of that disclosure and of our Privacy Policy and that you have obtained their consent. If you do not consent to provide us with the personal information that we request, or withdraw your consent to the use and disclosure of your personal information at any stage, we may not be able to offer you the products or provide the services that you seek. For information about how to access and or correct the personal information we hold about you or if you have any concerns or complaints, ask us for a copy of our Privacy Policy or visit www.penunderwriting.com.au.

Complaints Handling

If you are dissatisfied with a decision Pen Underwriting makes, our service, the service of others we appoint to discuss insurance matters with you, or a claim settlement, we have an internal dispute resolution process to assist you. For further information, ask for a copy of our Complaints and Disputes Resolution Policy or visit www.penunderwriting.com.au.

Further Information

Your insurance broker has arranged this insurance on your behalf. If you have any questions or need further information concerning your insurance, you should contact your insurance broker to assist you with your enquiry. You should direct all of your correspondence to us through your insurance broker as he is your agent for this insurance.

IMPORTANT NOTICE

- Please answer all questions in full. Where appropriate, tick the 'Yes' or 'No' box that best indicates your reply.
- If there is insufficient space provided, please provide further information on your letterhead.
- All attached documents form part of this Proposal Form.

SECTION 1 – THE BUSINESS

1. Please provide the full name of all parties to be covered under this insurance (hereinafter referred to as You) including any previous trading names

Name	Date Established
.....
.....
.....
.....

2. i) Address of Your main office:

Address:

..... Post Code

Phone: Fax.....

Website:

ii) Person responsible for this location:

Name:

Title:

Email Address:

3. Addresses of Your branch offices or other locations (both within Australia and Overseas) including name and position of the individual responsible for each location:

- i.
- ii.
- iii.
- iv.

4. i) Do You use Authorised Representatives? Yes or No

If 'Yes', please fill out the following information

Name	Age	Qualifications	Date Qualified

- ii) Please attach a CV where You have no formal qualifications or have been established less than five (5) years.
- iii) Please provide details of any previous practices involving You:

5. Please provide Your Australian Financial Services Licence Number and those of any Authorised Representatives

.....

6. Please indicate the Professional Association(s) of which You are a member:

.....

7. What date is Your Financial Year End:

8. Please indicate a split in the following areas of the total fees/income (as a percentage) for the past financial year:

Type of Insurance	Australia	Overseas	Total
Property Insurance (including business packages)	%	%	%
Workers Compensation Insurance	%	%	%
Compulsory Third Party Insurance	%	%	%
Credit Insurance	%	%	%
Personal Lines Insurance (excluding motor)	%	%	%
Commercial Insurance (excluding motor)	%	%	%
Construction Insurance	%	%	%
Motor Insurance (Personal)	%	%	%
Motor Insurance (Commercial)	%	%	%
Professional Indemnity Insurance (including Directors and Officers)	%	%	%
Aviation / Marine Insurance	%	%	%
Livestock / Bloodstock Insurance	%	%	%
Superannuation	%	%	%
Other – please specify:	%	%	%
TOTAL	%	%	100%

9. Please detail the number of employees split into the following areas:

Full Time

Part Time

- (i) Qualified:
- (ii) Administration:
- (iii) Consulting:
- (iv) Other – please specify:.....

10. Are You connected (financially or otherwise) with any other entity? Yes or No

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

11. i) Please detail Your gross fees / commissions / income for the last two financial years:

Last Financial Year: \$.....
 Year Before Last Financial Year: \$.....

ii) Please detail Your estimated gross fees / commissions / income for the next financial year:

Estimated for Next Financial Year: \$.....

12. 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
%	%	%	%	%	%	%	%	%

13. i) Is any work sub-contracted out? Yes or No
 If Yes, please provide details:

- ii) Are sub-contractors required to carry their own insurance to cover such work? Yes or No
 iii) Do You require cover for sub-contractors under this Policy? Yes or No
 If Yes, what Indemnity limit do You require:
14. Do You enter into any written agreements or operate under any published conditions of engagement or letters of appointment? Yes or No
 If Yes, please provide samples.
15. Do You subscribe to Continuing Professional Development? Yes or No
16. Are You accredited (eg. ISO Series)? Yes or No
 If Yes, please provide details:
17. What are Your procedures to ensure supervision of junior staff?

18. How often do You undertake a review of working procedures? Yes or No
19. Do You always obtain written references when engaging employees? Yes or No
 If No, please give details:

SECTION 2 – CLAIMS

20. After full enquiry, have You sustained any loss through fraud or dishonesty of any person? Yes or No
 If Yes, please provide full details:

21. After full enquiry, are You aware of any fraud, dishonesty, bankruptcy or administration order applicable to any past or present Principal, Partner, Director or Employee? Yes or No
 If Yes, please provide full details:
22. After full enquiry, are You aware of any circumstance or incident which has or could result in a claim being made against Your business or any present Principal, Partner, Director or Employee of this or any other business? Yes or No
 If Yes, please provide full details:
23. After full enquiry, has there been a claim made against Your business or any Principal, Partner, Director or Employee of this or any other business? Yes or No
 If Yes, please provide full details:

24. Have present and previous Insurers been notified of and accepted all claims and all circumstances which may give rise to a claim? Yes or No
 If Yes, please provide full details:

SECTION 3 - FIDELITY

25. Do You require Fidelity Cover in addition to this Professional Indemnity insurance? Yes or No
 If Yes, please complete the questions below.
 If No, please proceed to Section 4.

26. If You are already insured for Fidelity

- a) What limit do you insure?
- b) Who are the current insurers?
- c) What is the current premium?
- d) Have you made any Claims under this policy? Yes or No
 If Yes, please provide full details:

27. Is any Partner(s), Principal(s), Director(s) or Employee(s) allowed to sign cheques without a counter signature? Yes or No
 If Yes, please provide details of the individual, the cheque limit and the circumstances:

28. Are Employees who receive cash/cheques in the course of their duties required to pay them in daily? Yes or No
 If No, please detail the procedure:

SECTION 4 – BINDING AUTHORITIES

29. Do You hold a binding authority with any insurer (including cover note books and/or “immediate issue” policy pads)? Yes or No
 If Yes, please provide details:

30. Please state the approximate percentage of commission / brokerage derived from binders: %

SECTION 5 – INSURANCE PLACEMENT

31. Do You place business with insurers (either directly or via underwriting agencies or other intermediaries) who are not licensed to operate in Australia (ie. Unauthorised Foreign Insurers)? Yes or No
 If Yes, please provide full details of these insurers and the classes of business insured:

32. Please provide the Gross Written Premium of Your five largest premium accounts:

1. \$
2. \$
3. \$
4. \$
5. \$

33. Are You authorised to settle claims on behalf of insurers? Yes or No
 If Yes, please provide details:.....

34. Do You ever sign Proposal Forms on behalf of Your clients? Yes or No
 If Yes, please provide details:.....

35. Is it Your practice to provide clients with a copy of the policy wording and schedule? Yes or No
 If No, how do You ensure that Your client is informed of policy terms and conditions, etc?
36. Do You always fully comply with the provisions of Section 34 of the Insurance (Agents and Brokers) Act 1984? Yes or No
 If No, please provide details:.....

Section 6 – Insurance Coverage

37. Do You have professional indemnity insurance in force? Yes or No
 If Yes, please complete the following
- (i) Insurer:
 - (ii) Limit: \$.....
 - (iii) Excess: \$.....
 - (iv) Renewal Date:
 - (v) Premium Amount: \$.....
 - (vi) Number of years cover has continuously been in force:.....
38. What Indemnity Limit do You require? \$.....
39. What excess do You require? \$.....
40. Has any proposal for similar insurance made on behalf of Your business, any predecessor of the business or any Principal, Partner or Director ever been declined or has such insurance ever been cancelled, renewal refused or any special terms imposed (other than market increases)? Yes or No
 If Yes, please provide details:.....

41. Have any fee earners at Your address ever faced criminal investigations or disciplinary proceedings by any professional organisation? Yes or No
 If Yes, please provide details:.....

Declaration:

I/We declare that:

- I/We am authorised by each of the Applicant(s) to sign this Proposal
- The statements in this Proposal are true and complete and no material information has been withheld
- I/We have read and understood the Important Notices accompanying this Proposal
- I/We have diligently made all necessary enquiries in order to comply with the duty of disclosure
- I/We have read the Pen Underwriting Privacy Statement on this Proposal and consent to the use, disclosure and obtaining of personal information about the insured for the purposes shown in the Privacy Statement
- Where I/We have provided information about another individual, that individual has been made aware of that fact and of the Pen Underwriting Privacy Statement
- I/We acknowledge that Pen Underwriting relies on the information and representations in this Proposal and otherwise made by me or on my behalf in relation to this insurance
- Except where indicated to the contrary, I/We understand that any statement made in this Proposal will be treated as a statement made by all persons to be insured
- I/We undertake to notify Pen Underwriting of any material alteration to the information contained in this Proposal prior to inception of the proposed insurance
- I/We understand that no insurance is in place until such time as Pen Underwriting has confirmed acceptance of the proposed insurance

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

Name/s: **Title:**.....

GUIDELINES TO SIGNING THE NSW STAMP DUTY EXEMPTION - SMALL BUSINESS DECLARATION

What is the NSW small business exemption?

From 1 January 2018, NSW small businesses will be exempt from paying stamp duty on certain types of insurance.

What is a small business?

Revenue NSW has stated that: "You are a small business if you are **an individual, partnership, company or trust** that is carrying on a business, and the business has an **aggregated turnover of less than \$2 million**. Aggregated turnover is your annual turnover plus the annual turnovers of any business entities that are your affiliates or are connected with you."

Which insurance types will the exemption apply to?

This exemption can be applied for NSW small businesses with one the following insurance types:

- Commercial vehicle insurance
- Commercial aviation insurance
- Occupational indemnity insurance
- Product and public liability insurance

Instructions for applying for an exemption

To receive the exemption, please complete this declaration declaring that you / your client are a small business. Email the completed declaration to your insurance broker.

Please note:

[a] The declaration covers all policies issued to you during the financial year in which the cover is effected or renewed, a new declaration is required on an annual basis.

[b] If you are uncertain whether you classify as a small business, please speak to your financial adviser.

[c] Pen Underwriting and the Insurer will place reliance on your declaration in charging the applicable insurance duty.

[d] False declarations may result in penalties up to of \$11,000 by Revenue NSW plus the insurance duty not paid and penal interest on that balance.

[e] Revenue NSW may also be able to clarify your queries relating to the law and your obligations.

[f] If you are a not for profit organisation already entitled to a NSW Stamp Duty Exemption, your premium is already exempt and the NSW Stamp Duty Exemption for Small Business is not relevant.

NSW STAMP DUTY EXEMPTION – SMALL BUSINESS DECLARATION

This declaration only covers policies for the financial year in which the cover is effected or renewed.

I hereby declare that I am a Capital Gains Tax small business entity (within the meaning of section 152-10 (1AA) of the *Income Tax Assessment Act 1997* of the Commonwealth).

I am a small business individual / partnership/ company and/ or trust, which is carrying on a business, and the business has an aggregated turnover of less than \$2 million*.

Signature:

Name:

Date Signed:

Name of Insured:

ABN of Insured:

Contact Details

Mobile:

Contact Details

Email:

* Aggregated turnover is your Australia wide annual turnover plus the annual turnovers of any business entities that are your affiliates or are connected with you.

* A fraudulent declaration may invalidate your insurance contract.