

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.

APPLICANT DETAILS

1. Name of all entities or person(s) to be insured:
 2. Telephone Number: Facsimile Number:
 3. Email Address:
Website Address:
 4. Address of Principal Office:
- Address(es) of Other Offices:
5. Date Business Established:
 6. Is the Business conducted as a franchise? Yes or No
If 'Yes' please state name of Franchisor?

7. Particulars of all Principals

Name of Principals	Age	Qualifications	Years as Principal		Name of Previous Business
			This Business	Previous Business	

8. Staff Numbers:

Staff	Numbers
Professionally Qualified including Principals	
Sales Persons / Property Managers	
Commission Agents	
Valuers	
Administrative Staff	

9. Do you require cover to extend to Commission Agents? Yes or No
If 'Yes' a No Claims Declaration will be required for each agent
10. Details of membership(s) of relevant professional association(s)
.....
.....

11. (a) Please provide details of current licence(s) and the States in which licence(s) are held:

.....

(b) Has your license been in force at all relevant times? Yes or No

If 'No' to (b) please provide details:

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12. (a) Has your business name ever changed? Yes or No

(b) Have you ever carried on your business under a prior corporate entity? Yes or No

(c) Have you purchased any other business or has any business merged with your business? Yes or No

(d) Do you anticipate any change to your business in the next 12 months? Yes or No

If 'Yes' to any of the above please provide full details

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13. Are you applying for cover for a principal for the conduct of a previous business? Yes or No

If 'Yes'

a) Please state the name of the principal seeking cover:

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b) Please state the full name and ABN of the principal's previous business:

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c) Is the principal's previous business in the same professional discipline as the current business? Yes or No

d) Please state the activities of the principal's previous business:

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e) Please state the estimated gross fee income for the two financial years ended immediately prior to the principal leaving the previous business:

Year Gross Fee Income	\$
Year Gross Fee Income	\$

f) To the best of your knowledge, does the principal's previous business have it's own professional indemnity insurance cover in place? Yes or No

g) After making appropriate enquiries, are there any facts or circumstances of which you, or any other principal, employee, or consultant of the principal's previous business are aware that may give rise to a claim against any of you, in respect of the principal's previous business? Yes or No

If Yes, please provide full details:

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YOUR ACTIVITIES:

1. Please provide a breakdown of your activities and set out the approximate percentage of fee income derived from each:

Activities:	Last Financial Year (Actual)	Current Year (Estimate)	Next Financial Year (Estimate)
Sales – Residential			
Sales – Commercial			
Property Management – Residential			
Property Management – Commercial			
Business Broking <i>(if yes please complete business broking addendum)</i>			
Property Valuations – Residential			
Property Valuations – Commercial			
Off-The-Plan Sales			
Property Development			
Other _____			
TOTAL:	100%	100%	100%

2. Do you carry out commercial property management activities for shopping centres? Yes or No

If Yes, please provide details:

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3. If property valuations are undertaken, please state average and maximum valuations.

	Last Financial Year	Current Year	Next Financial Year
Residential Average			
Residential Maximum			
Commercial Average			
Commercial Maximum			

4. Please provide a brief description of the 5 largest contracts undertaken by you during the last five years and the fee income derived from each contract

Brief description of contract	Fee Income

FEE INCOME

- Please state date of your financial year end:
- Please provide the amount of gross fee income for:

	Australia	Overseas
Last Financial Year	\$	\$
Estimate for Next Financial Year	\$	\$

- Please provide the approximate percentages of your activities applicable to each State, Territory & Overseas:

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

If overseas activities are carried out please provide countries and percentage breakdown:

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INSURANCE HISTORY

- Are you at present insured for Professional Indemnity Insurance? Yes or No

If Yes, please provide details

Insurer	Expiry	Sum Insured	Excess	Premium

- In respect of the practice or any principal, have any Professional Indemnity Insurers
 - Declined a proposal? Yes or No
 - Imposed special terms? Yes or No
 - Declined to continue your insurance? Yes or No
 - Cancelled your insurance? Yes or No

If Yes to any of the above please provide details:

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CLAIMS AND CIRCUMSTANCES

- During the past 10 years has any Claim been made, or has breach of professional duty been alleged, against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former principals), or have any circumstances which may give rise to a claim against any of these been notified to insurers? Yes or No

If Yes, please provide details

Year	Insurer	Brief Description	Is it finalised?	Amount Paid or estimate Outstanding
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	
			<input type="checkbox"/> Yes <input type="checkbox"/> No	

- What action has been taken to prevent a recurrence of the situation which gave rise to each claim or circumstance at Question 1?

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3. After making enquiries has any principal, employee, consultant, sub-contractor or commission agent ever been subject to external disciplinary proceedings? Yes or No

If Yes, please provide details

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COVER REQUIRED

1. Please advise limit required:
- \$1,000,000 \$10,000,000
- \$2,000,000 \$5,000,000
- Other:
2. Please advise excess required:
- \$2,500 \$10,000
- \$5,000 \$20,000
- Other:
3. Do you require a Fidelity extension? Yes or No
- If Yes, please complete Fidelity Extension*

FIDELITY EXTENSION

1. Please indicate the sub-limit required for Fidelity cover:
- \$50,000 \$250,000
- \$100,000 Other.....
2. Is any person allowed to sign cheques or funds transfer instructions on their signature alone? Yes or No
- a) Maximum amount \$.....
- b) In what capacity is/are the person(s) engaged?
-
3. Are bank accounts independently reconciled by persons not authorised to deposit or withdraw funds from the account at least monthly? Yes or No
4. Are duties segregated so that no one individual can open a new bank account without referral to others? Yes or No
5. Do employees receiving cash and cheques in the course of their duties remit or bank all monies received on the day of receipt or the next banking day? Yes or No
6. Is any employee allowed to process any refund or accept any return of goods in excess of \$1,000 without authorisation by a supervisor or manager? Yes or No
7. Before hiring, are written or verbal references obtained directly from former employers? Yes or No
8. Are all employees who are responsible for money, goods, accounts, financial operations or computer programming operations required to take two weeks uninterrupted leave each year? Yes or No
9. (a) Has the Proposed Insured sustained any loss through fraud or dishonesty of any principal or employee? Yes or No
- If Yes, please provide details:

Date of Loss	Description	Amount	Open/Finalised

- (b) Please state what steps have been taken to prevent a recurrence:
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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:**.....

Business Broking Addendum

Real Estate Agents
Professional Indemnity



ONLY COMPLETE IF BUSINESS BROKING ACTIVITIES ARE UNDERTAKEN

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.

Average Sale Price: \$ Largest Sale Price \$.....

Please provide full details of the largest 5 businesses broked during the last 12 months:

Business Name	Business Type	Business Sale Price	Commission Earned

Does the Applicant specialise in broking a particular type of business? Yes or No

If Yes, please provide type of business:

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When acting on behalf of the Vendor of a business does the Applicant always recommend in writing that the prospective purchaser(s) carry out their own due diligence or secure their own independent valuation(s)? Yes or No

If no, please provide a copy of any warranties and/or disclaimers used by the Applicant to protect their interests in relation to the sale of the business:

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Does the Applicant expect changes to the types or sizes of businesses broked? Yes or No

If yes, please provide details:

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No Claims Declaration

Real Estate Agents
Professional Indemnity



Proposed Insured:

Commission Agent:

I, the abovenamed Commission Agent, declare that I am not aware of any claim or circumstance which could give rise to a claim or loss against myself or the Proposed Insured or to a loss under the proposed insurance.

I declare that my attention has been drawn to the Important Notices in the Proposal and the policy wording and I have read them carefully and acknowledge my understanding of their content by my signature below.

Signed:

For and on behalf of the Commission Agent

Date:

Name:

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.