



C/- Aon Risk Services NZ Ltd
Professional Risks
P O Box 2517 Wellington
Tel (04) 472-1699 Fax (04) 495-9842
E-mail: abacus@aon.co.nz Website: www.abacus.org.nz

2004/2005 Insurance Proposal Form for New Applicants

This Proposal Form will constitute a part of the Professional Indemnity or other Liability Insurance Contracts as may be arranged by Abacus under Master Policies on your behalf.

If there is insufficient space to complete any answer, please continue on your firm's headed paper or provide additional details in an accompanying letter.

Section A - Professional Indemnity Insurance (Civil Liabilities/Claims Made & Notified Basis of Insurance)

1. Details of firm or practice

Member No:

← For Office Use Only

Name of Firm:

Mailing Address:

Phone:

Fax:

E-Mail address:

Contact Person:

When was the original
firm first established?

Please insert year

If your firm is a corporate practice do you continue to provide any services as a partnership or in sole practice outside of the corporate entity?

Yes

No

If your firm has any service companies, trustee companies or other entities that are to be included with your firm as joint insured parties, please give full details below.

Does each practitioner in your firm hold a current public practising certificate from ICANZ?

If no, please give details.

Yes No

--

2. Offices

Location	Address	Phone	Fax	Contact Person

3. Mergers

During the past five years, has the name of the firm been changed, or has any other business been purchased, or any merger or consolidation taken place?

If yes, please give full details.

Yes No

--

4. Partners or Directors

Please provide details of the Principal(s), Partners or Directors of your firm:

Name	Date of Birth	Qualifications & date	How long as a Partner	
			of this practice	previously and with whom

If a Sole Practitioner please enter your own details above ↑

5. "Run Off" Cover

Please list Partners who have retired or left or are deceased for whom "Run Off" cover is required:

Names of Former Partners	Date of Retirement or Resignation or Death	Contact Address

6. Previous Businesses

Do you require coverage in respect of any previous accounting or consulting business?

Yes No

If yes, please give full details below.

--

7. Number of Partners and Staff

	Partners	Staff	Sub-Totals
Qualified Accountants			
Others (Non-Qualified)			
Office Juniors & Typists			
Others <small>(Please specify others above)</small>			
Totals			

8. Fee Income

Please give details of your firm's total gross fees or commissions.

(a) Received or rendered during the last financial year (excluding GST)	\$
(b) Estimated for the ensuing 12 months (excluding GST)	\$

9. Activities Abroad

Does your firm's practice extend or has it ever extended to activities overseas? Yes No

If yes, please advise.

(a) What proportion is/was this of your firm's total business and in what countries?

	%
	%

(b) What is your firm's method of handling such business?

--

10. Percentage of Total Work

In which of the following activities does your firm engage?

Please give an estimate of the percentage of total fees of your firm represented by each category.

The total figures given should total 100%.

Commercial Audits	%	Investment Advice/Commissions	%
Legal Practitioners Audits	%	Own Trustee Company	%
Receiverships/Liquidations & the like	%	Sharebroking	%
Commercial Taxation	%	Directors Fees	%
Pure Accounting Services	%	Financial Planning	%
Business/Share Valuations/Evaluations	%	Mortgage Broking	%
Consultancy	%	Other (Please Specify)	
Secretarial/Share Registration	%		%
Total:			100%

Do you expect any substantial change in the percentages given above in the forthcoming year?

Yes No

If yes, please give details below.

11. Financial Planning/Mortgage Broking

Is your firm is involved in financial planning to the extent of recommending, advising, managing and reporting on investment portfolios for individual clients or mortgage broking?

Yes No

If the answer is yes to financial planning activities, is your firm IAFP Certified?

Yes No

Is your firm involved in Mortgage Broking activities?

Yes No

If you have a separate entity undertaking any such activities please advise the name of that separate entity or company below.

12. Previous Insurance

Is the firm currently insured against professional liabilities through any Insurer? Yes No

If no, has it ever been insured?

13. Details of Previous Insurance

Amount of Cover \$ Excess \$

When Lapsed 19..... Last Annual Premium \$

Name of Insurer or Broker

14. Other Consultants or Agents

(a) Do you arrange for other accountants or consultants or agents to do part of the work which, in accordance with professional practice, is your professional responsibility? Yes No

(b) If yes, do you request them to carry their own professional indemnity insurance cover? Yes No

15. Other Associations and Appointments

(a) Is there any investment or finance company or other business, apart from those indicated in answer to Questions 1 and 12, operated in association with the firm in which the Partners or Employees or members of their families have a financial interest? Yes No

If yes, please give details below.

(b) Is any Partner of your firm, or any Employee on behalf of your firm, acting as a director of any body corporate or other businesses? Yes No

If yes, and coverage is required in terms of the policy please give details of each directorship below.

- (c) Do any Partners or Employees of your firm act as trustees? Yes No

If yes, and coverage is required in terms of the policy please give details of each appointment below.

- (d) Do any of your **former** Partners or Directors who have retired provide any ongoing consultancy services for and under the auspices of your firm or practice? Yes No

- (e) Do you engage any personnel on a contract basis, **other than your normal employees in respect of whose remuneration you make PAYE deductions**, on either a part-time or full time basis to perform professional services for and under the auspices of your practice? Yes No

If yes, please give details of such appointments below.

16. Absences From Practice

What arrangements do you have to cover the conduct of the practice during the temporary absence of partners or whilst partners are away on business, leave or sickness or in any unforeseen emergency?

Please give details below.

17. Insurer History

Has any Insurer for your firm or for any Partner:

- (a) Declined a proposal for Professional Indemnity or other liability insurance? Yes No
- (b) Required an increased premium or imposed special terms? Yes No
- (c) Declined to renew the insurance? Yes No
- (d) Cancelled the insurance? Yes No

If yes, please give details below.

18. Notifications History

Have any claims been made against your firm or any of your firm's present partners or predecessors in business during the past 5 years or have any claims or notifications of possible claims been made during this period to **any** Insurer?

Yes No

If yes, please give full details below.

19. New Notifications

Apart from the matters referred to under Question 18, are you aware of:

- (a) Any error or omission which has occurred in your practice or any previous practice which has **not previously** been reported to any Insurer? Yes No
- (b) A dispute between third parties concerning work with which you were involved, which **may** give rise to a claim? Yes No
- (c) Any dispute between any third party and any other parties for whose activities you **may be** vicariously liable which **may** involve you in a claim? Yes No
- (d) Any third party intimation that you **might be** held liable in part or in whole for any loss? Yes No

If any answer above is yes, please give full details below.

20. Limit of Indemnity

Please indicate the basic limit of indemnity you require:

<input type="checkbox"/> \$250,000	<input type="checkbox"/> \$300,000	<input type="checkbox"/> \$400,000
<input type="checkbox"/> \$500,000	<input type="checkbox"/> \$600,000	<input type="checkbox"/> \$750,000
<input type="checkbox"/> \$1,000,000	<input type="checkbox"/> \$1,500,000	<input type="checkbox"/> \$2,000,000
<input type="checkbox"/> \$3,000,000	<input type="checkbox"/> \$4,000,000	<input type="checkbox"/> \$5,000,000
Other - (please state amount)	<input type="checkbox"/> \$	<input type="checkbox"/>

21. Extensions

(a) **The Automatic Extensions** - The following extensions are automatically included within the basic indemnity.

<i>Defamation</i>	<i>Employees Dishonesty</i>
<i>Forged Transfers</i>	<i>Quasi-Judicial Representation Costs</i>
<i>Automatic Reinstatement</i>	<i>Contracted Personnel</i>

(b) **The Optional Extensions** -The following extensions are optional. **Please** indicate any of the optional extensions that you may require.

<i>Fidelity</i>	Yes <input type="radio"/>	No <input type="radio"/>
<i>Dishonesty of Partners or Directors</i>	Yes <input type="radio"/>	No <input type="radio"/>
<i>Loss of Documents (Property Damage)</i>	Yes <input type="radio"/>	No <input type="radio"/>
<i>Financial Planning/Mortgage Broking Activities</i>	Yes <input type="radio"/>	No <input type="radio"/>

22. Deductible

The amount of the deductible you select to apply to each and every claim.

Please indicate your preference below.

\$2,000 <input type="radio"/>	\$2,500 <input type="radio"/>	\$5,000 <input type="radio"/>
\$7,500 <input type="radio"/>	\$10,000 <input type="radio"/>	\$12,500 <input type="radio"/>
\$15,000 <input type="radio"/>	\$20,000 <input type="radio"/>	\$25,000 <input type="radio"/>
Other - (Please state the amount)	\$ <input type="text"/> <input type="radio"/>	

Please complete the following Section B only if you require a quotation for this form of additional coverage. Please refer to the checklist for more information regarding this form of coverage.

Section B - Trustees Liability - Optional

(Claims made against the Insured Practice or any of the Partners or Employees, arising out of any Trusteeship appointments held on behalf of the Practice)

B1. Trustee Appointments

Please state the Total number of Trusteeships currently held by your firm on behalf of clients

Important Note:

This insurance is not intended to cover Corporate Trusteeships.

Insurance for such Trusteeships is subject to additional underwriting information. If you require a quotation, please provide a copy of the last audited financials for each Corporate Trust for which you hold a Trusteeship.

B2. Claims Information

2.1 After inquiry, are you aware of any circumstance or incident arising out of any appointments held that could give rise to a claim against the practice?

Yes No

If "Yes", please give details.

2.2 Have any of the Partners or Staff of this practice ever been subject to any disciplinary action, been fined or penalised, or been the subject of an inquiry in their capacity as a Trustee?

Yes No

If "Yes", please give details.

Please complete the following Section D only if you require a quotation for this form of additional coverage. Please refer to the Checklist for more information regarding this form of coverage.

Section D - Statutory Liability Insurance - Optional

(Legal defence costs, certain fines and penalties under various statutes
- Claims Made & Notified Basis of Insurance)

D1. Limit of Indemnity

Please indicate the limit of indemnity you require:

\$100,000 (Minimum)	<input type="radio"/>	\$250,000	<input type="radio"/>
Other (please state amount)		\$	<input type="radio"/>

D2. Deductible

The amount of the deductible you select to apply to each and every claim.

Please indicate your preference below.

\$500 (Minimum)	<input type="radio"/>	\$1,000	<input type="radio"/>	\$5,000	<input type="radio"/>
-----------------	-----------------------	---------	-----------------------	---------	-----------------------

D3. Acts to be Included

Any Act of the New Zealand Parliament or any amendment to or re-enactment to the Acts, including the statutory regulations, other than the excluded Acts below.

Armed Forces Discipline Act 1971
Aviation Crimes Act 1972
Children, Young Persons & Their Families Act 1989
Crimes of Torture Act 1985
Crown Proceedings Act 1950
Domestic Protection Act 1982
Estate & Gift Duties Act 1968
Gaming Duties Act 1971
Immigration Act 1987
Income Tax Act 1976
Road User Charges Act 1977
Stamp & Cheque Duties Act 1971
Summary Offences Act 1981
Transport Act 1962

Arms Act 1983
Biosecurity Act 1993
Crimes Act 1961
Criminal Justice Act 1985
Customs Act 1966
Dumping & Countervailing Duties Act 1988
Fugitive Offenders Act 1881
Goods & Services Act 1985
Misuse of Drugs Act 1975
Rating Act 1967
Sales Tax Act 1974
Summary Proceedings Act 1957
Tax Administration Act 1994
Trespass Act 1980

or any Act enforced by a revenue collecting authority

Important Note: The excluded Acts above only relate to this Section D - Civil Claims founded on breaches of statutes, as distinct from the certain fines or penalties as insured by this Section D, are the subject of the Professional Indemnity Section A.

D4. Prior Infringements

Have you had notice served on you or received any written or oral request to comply with any Acts or had fines or penalties imposed upon you for breach of any Acts or their predecessors?

Yes No

If yes, please provide full details below.

Please complete the following Section E only if you require a quotation for this form of additional coverage. Please refer to the Checklist for more information regarding this form of coverage.

Section E - Employers Liability - Optional

(Personal Injuries Caused to Employees which are not covered under the provisions of the Accident Compensation Legislation - Claims Made & Notified Basis of Insurance)

E1. Limit of Indemnity

Please indicate the limit of indemnity you require:

<input type="checkbox"/> \$100,000 (Minimum)	<input type="checkbox"/> \$250,000
<input type="checkbox"/> Other (Please state amount)	<input type="checkbox"/> \$

E2. Deductible

The amount of the deductible you select to apply to each and every claim. Please indicate your preference below:

<input type="checkbox"/> \$500 (Minimum)	<input type="checkbox"/> \$1,000	<input type="checkbox"/> \$5,000
--	----------------------------------	----------------------------------

E3. Prior Notifications

Have any claims for the type of insurance requested under this Section in this proposal ever been made against you or have any circumstances ever occurred which would have resulted in a claim under the proposed insurance under this Section had the coverage been in force?

If yes, please provide details below.

After enquiry, are you aware of any circumstances that could give rise to a claim against you?

If yes, please provide full details below.

Please complete the following Section F only if you require a quotation for this form of additional coverage. Please refer to the Checklist for more information regarding this form of coverage.

Section F - Employment Practices Liability - Optional

(Coverage for claims made against Employers by current, former or prospective Employees for breaches of their Employment Contracts and breaches of certain provisions of the Human Rights Act 1993 and Privacy Act 1993 - Claims Made and Notified Basis of Insurance)

(Legal costs incurred in the defence of Injunctions or Applications for Reinstatement brought against Employers by current, former or prospective Employees)

F1. Limit of Indemnity

Please indicate the limit of indemnity you require:

\$100,000 (Minimum)

\$250,000

Other (Please state amount)

\$

F2. Deductible

The amount of the deductible you select to apply to each and every claim. Please indicate your preference below:

\$1,000 (Minimum)

\$2,500

\$5,000

F3. Prior Notifications

Have any claims for the type of insurance requested under this Section in this proposal ever been made against you or have any circumstances ever occurred which would have resulted in a claim under the proposed insurance under this Section had the coverage been in force?

If yes, please provide details below.

After enquiry, are you aware of any circumstances that could give rise to a claim against you?

If yes, please provide full details below.

Please complete the following Section G only if you require a quotation for this form of additional coverage. Please refer to the Checklist for more information regarding this form of coverage.

Section G - Public Liability - Optional

(Claims by Third Parties alleging physical damage to property or bodily injury)

G1. Limit of Liability

Please indicate the limit of indemnity you require:

\$1,000,000 (Minimum)

\$2,000,000

Other (Please state amount)

\$

G2. Deductible

Please indicate the amount of the deductible you select to apply to each and every claim.

\$500 (Minimum)

Other (Please state amount)

\$

G3.

Please give details of any of the following which are used or for which the practice is responsible, in the course of the business:

(a) Passenger or goods elevators, escalators, hoists, cranes or other lifting equipment

(b) Unregistered mechanically propelled vehicles

(c) Car Parks

G4. Prior Notifications

Have any claims for the type of insurance requested under this Section in this proposal ever been made against your practice or have any circumstances ever occurred which would have resulted in a claim under the proposed insurance under this Section had the coverage been in force?

If yes, please provide details below.

After enquiry, are you aware of any circumstances that could give rise to a claim against your practice?

If yes, please provide full details below.

**IMPORTANT NOTICE TO ALL PROPOSERS - RATINGS INFORMATION COMPLIANCE
WITH STATUTORY REQUIREMENTS**

The Insurance Companies (Ratings and Inspections) Act 1994 requires us to provide you with information about your Insurers.

Your insurance will be placed with Insurers whose Ratings in terms of the Insurance Companies (Ratings and Inspections) Act 1994 will be advised to you prior to your acceptance of the insurance(s).

**INSURANCE LAW REFORM ACT 1977
Mis-Statements in Contracts of Insurance**

By the terms of this Act a policy may be avoided if any statement made in the proposal or other document in completion, reinstatement or renewal is substantially incorrect and material.

DEFINITIONS:

- (1) **SUBSTANTIALLY INCORRECT**
A statement is substantially incorrect if the difference between what is stated and what is correct would be considered material by a prudent insurer.
- (2) **MATERIAL**
A statement is material if that statement would have influenced the judgment of a prudent Insurer in setting the premium or determining acceptance or continuation of the risk upon substantially the same terms.

Declaration

I/We declare that the statements and particulars in this proposal are true and I/We have not mis-stated or suppressed any material facts. I/We agree that this proposal, together with any other information supplied by me/us shall form the basis of any Contract(s) of Insurance that may be effected thereon.

I/We undertake to inform the insurers of any material alteration to these facts whether occurring before or after completion of the Contract(s) of Insurance.

Signing this Proposal Form does not bind the Proposer to complete the Insurance.

Dated this _____ day of _____ 20 _____

For and on Behalf of the Firm

Signature of Principal or Partner