



PROPOSAL FORM

FOR ACCOUNTANTS PROFESSIONAL INDEMNITY

Lion Underwriting Pty Ltd
ABN 33 604 592 467 AFSL No: 491793

IMPORTANT NOTICE TO THE PROPOSER ON COMPLETION OF THIS PROPOSAL FORM

1. DUTY OF DISCLOSURE

You have a duty to disclose relevant information to the insurer, when completing this proposal form and at other times during the policy period (for example when you renew the insurance or request a change to the policy terms). Your duty is described below:

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.

2. PRIVACY

At Lion Underwriting Pty Ltd (Lion Underwriting) we are committed to protecting your privacy. The information provided will be treated in confidence and, where relevant, in compliance with the Privacy Act 1988. We collect, use and disclose your personal information, and in some cases personal or sensitive information about you, to assess your application and provide a quote for the insurance cover (including obtaining risk carrier confirmation where necessary), on behalf of the insurer. This information is used to issue and administer your policy, to provide insurance services, and, where appropriate, to assist in the assessment of a claim. For some classes of insurance, the underwriter may use sensitive personal data about you where this is necessary to decide whether it is willing to insure you and on what terms (for example criminal convictions). We also may use it to:

- Contact you to provide information about your insurance policy;
- Deal with brokers, risk carriers and reinsurers; and
- Operate our business including offering information and to market and promote our services to you.

If you don't provide us with full information, we may not be able to provide you with any, some, or all of the features of our products or services.

This may include information collected from third parties such as your insurance broker.

We provide information such as your personal details and business circumstances to relevant third parties including your insurance carriers, brokers, third-party claims adjusters, fraud detection and prevention services, reinsurance companies and regulatory authorities. In the course of performing our obligation to you, this information may be disclosed to agents and service providers appointed by us, Insurers, (including their re-insurers, legal advisers, loss adjusters or agents). Where such sensitive personal information relates to anyone other than you, you must obtain the explicit consent of the person to whom the information relates both to the disclosure of such information to us and its use by us as set out above.

We do not trade, rent, or sell your information. We may disclose your information to recipients in Australia, UK, Singapore, Japan, USA, People's Republic of China and Switzerland for the purpose of providing our services to you. If a recipient is not regulated by laws which protect your information in a way that is similar to the Privacy Act, we will take reasonable steps to ensure that they protect your information in the same way we do or seek your consent before disclosing your information to them.

You have the right to request for a copy of your information and to request to have any inaccuracies corrected.

Our Privacy Policy contains more information about how to access and correct the information we hold about you and how to make a privacy related complaint, including how we will deal with it. Ask us for a copy by contacting us on (07) 3445 6300 or visiting our website (www.lionunderwriting.com.au).

3. PRESENTATION

This proposal form must be completed and signed by an authorised individual, a partner, principal or director of the Proposer.

All questions must be answered. If not applicable, state N/A.

If there is insufficient space to provide answers, additional information should be provided on the Proposer's letter-headed paper.

Where applicable to the Proposer's business, product/services brochures, standard contract conditions, terms and conditions, waivers and disclaimers, commercial agreements and letters of appointment should be provided.

Failure to present insurers with information in an appropriate manner may adversely influence the ability or willingness of insurers to offer terms.

4. GUIDANCE

The contract of insurance will be arranged by Lion Underwriting Pty Ltd (ABN 33 604 592 467, AFSL 491793) acting as agent for the relevant insurer (Insurer). We do not act as your agent. When acting as agent of the insurer, we may place the policy with an APRA-regulated insurance company, certain underwriters at Lloyd's of London or a direct offshore foreign insurer or unauthorised foreign insurer (subject to law). When we act under a binder, we will notify your broker of this arrangement. A binder agreement allows us to issue the policy and handle claims as if we are the insurer. In other cases, we may place your policy on an 'open market' basis.

The precise scope and breadth of policy coverage is subject to the specific terms and conditions of the policy wording. You should refer to the policy wording for full information, including in relation to:

- the basis on which claims can be made;
- your cancellation rights; and
- the identity of the parties covered under this insurance.

If in doubt as to the meaning of any question contained within this proposal form or the issues raised in Disclosure and/ or Presentation, advice should be sought from Lion Underwriting via your insurance broker.

5. CONTACT

If you would like to discuss this further, we can be contacted at;

Tel.: (07) 3445 6300
Email: admin@lionunderwriting.com.au
Website: www.lionunderwriting.com.au

ADDITIONAL INFORMATION SHOULD BE PROVIDED ON SEPARATE SHEETS CLEARLY IDENTIFIABLE AS FORMING PART OF THE PROPOSAL FORM ON THE PROPOSER'S LETTERHEAD.

INSURED DETAILS

1. Full name of the Insured:
2. Trading name:
3. ABN:
4. GST registered: Yes No
5. Trading Address:
6. Postal Address:
7. Policy period: Inception Date: / / Expiry Date: / /
8. Contact number:
9. Website address:
10. Email address:
11. Date business established: / (month/year)
12. Address of any Branch or other offices:

13. Please provide full details of all Principals/Partners/Directors:

Name	Qualification	Date Obtained	Years as a Principal	
			This Practice	Previous Practice

14. Please provide staff numbers:

Principals/Partners/Directors:

Trainee Staff:

Administration Staff:

Professional Qualified Staff:

(Not included in Partners/Principals)

Other Staff:

Total:

15. Are you a current financial member in good standing of a Professional Association? Yes No

If **YES**, please provide details of the Associations to which you belong:

YOUR BUSINESS

- 16. Has the name of your business ever changed? Yes No
- 17. Have you ever amalgamated or merged with another business? Yes No
- 18. Have you purchased any other business or practice? Yes No

If you have answered **YES** to any of these questions please provide details:

- 19. Does any partner, principal or director of the Insured detailed in this proposal have any connection or association (financially or otherwise) with any other business or practice? Yes No

If **YES**, please provide full details:

- 20. Please provide a precise description of your business activities:

- 21. Please provide details of your 5 largest contracts:

Brief Description of Contract

Income \$Aus

- 22. Does any single Client represent more than 25% of your total activities? Yes No
- 23. Have there been any substantial changes in your business activities in the past 12 months? Yes No
- 24. Do you anticipate any substantial changes in your business activities in the next 12 months? Yes No

If you have answered **YES** to any of Questions above, please provide full details:

- 25. Do you engage sub contractors? Yes No
- If **YES**, do you insist they carry their own Professional Indemnity Insurance? Yes No
- 26. Are verbal reports always confirmed in writing? Yes No

If **NO**, please advise details of how these reports are substantiated:

27. Do you perform work outside Australia, or work for clients located overseas? Yes No

If **YES**, please provide full details:

28. Please state the percentage of your total income derived from:

Audit:	%	Taxation / GST:	%
Accounts Preparation/Bookkeeping:	%	Insurance Agency:	%
Receiverships/Liquidations/Insolvency	%	Business Valuations:	%
Superannuation Funds Management:	%	Company Directorships/ Secretarial Positions:	%
Investment Advice or Management:	%	Management Consultancy	%
Financial Planning:	%	Mergers & Acquisitions	%
Forensic Accounting:	%	Other: Please Specify:	%
		Total:	100%

Please complete the next following Questions ONLY if you are involved in these activities. If not, please move to the next section.

Audit

29. Please provide the percentage of your Audit work derived from the following categories:

Category of Audit Clients	Percentage
Non Profit & Private Companies	%
Publicly Listed Companies	%
Public Companies – other	%
Self Managed Super Funds.	%
Other Superannuation Funds	%
Financial Institutions (Please provide details)	%

30. Please list your 5 largest Audit clients.

Client	Fees Earned
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Business Valuation Work.

31. In respect of Business Valuation work please provide an approximate percentage split of income derived from:

Category of Clients.	Percentage
Publicly Listed Companies	%
Public Companies – other	%
Private Companies	%
Other:	%

FOR SOLE PROPRIETORS ONLY (OTHERWISE PLEASE PROCEED TO THE NEXT SECTION)

32. Please provide details of the length of service and experience of your assistants:

33. Please provide details of the arrangements you have in place to assist you during temporary absences:

YOUR RISK MANAGEMENT PROGRAM

34. Do you have a documented Risk Management program? Yes No
If **YES**, when was the program implemented?
35. Is one Director / Partner / Principal responsible for the implementation & communication of the program? Yes No
36. Does your Risk Management Program include regular internal / external audits or reviews? Yes No
37. Is the program communicated to and available to all staff? Yes No

YOUR FINANCIAL DETAILS

38. Please advise the total annual gross professional fees for:

	Australia	Overseas
Previous 12 Months:		
Current 12 Months:		
Estimate for next 12 Months:		

39. Stamp Duty Split:

Please provide the approximate percentage of your activities (based on fee income) applicable to each State or Territory.

ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Overseas
%	%	%	%	%	%	%	%	%

40. Are the total assets of your company greater than \$5,000,000? Yes No

YOUR CLAIMS HISTORY

41. After enquiry, have any claims for negligence or breach of professional duty been made against your business or practice or any of its predecessors in business or any prior business or practice or any of its present or former Partners, Principals or Directors or has any fact or circumstance been notified to the insurers that has the potential to give rise to such a claim? Yes No

If **Yes**, please provide full details:

Date Notified	Name of Claimant	Brief Description of Matter	Quantum including Legal Fees Paid	Status
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42. After enquiry, are any of the partners, principals or directors aware of any fact or circumstance which has the potential to give rise to a claim against your business or practice or any business or practice of any of their present or former partners, principals or directors which is not referred to in the Question above. Yes No

If **Yes**, please provide full details including:

Date First became aware of matter	Name of Potential Claimant	Brief Description of matter	Quantum including Legal Fees Paid
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43. Has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct? Yes No

If **Yes**, please provide details:

44. After enquiry, are any Partners, Principals, Directors or staff members aware of any enquiry, professional disciplinary proceedings or similar process connected to your business which they, or any other member may be required to attend? Yes No

If **Yes**, please provide details

YOUR INSURANCE HISTORY

45. Is this a renewal of Lion Underwriting? Yes No

If the answer is **NO** and you currently hold Professional Indemnity Insurance please complete the following:

Name of Insurer :

Expiry Date:

Limit of Indemnity :

Premium:

46. Has the firm, any partner, principal or director ever been refused this type of insurance, had special terms imposed, had a policy cancelled or had an application for renewal declined? Yes No

If **Yes**, please provide details:

YOUR COVER APPLICATION

47. Limit of Indemnity Options: \$1,000,000 \$2,000,000 \$3,000,000 \$4,000,000 \$5,000,000

Other:

48. Preferred Deductible:

49. Do you require?

(a) A Reinstatement of Aggregate Limit of Indemnity? Yes No

(b) Fidelity? Yes No

If **yes**, please complete question 50.

(c) Partners Previous Business? Yes No

If **yes**, please complete question 51.

50. If you require **Fidelity Cover** please complete the following questions:

(a) Do you always obtain satisfactory references before hiring employees? Yes No

(b) Do you require more than one member of staff to sign cheques, handle cash or transferable documents? Yes No

(c) Is the bank reconciliation conducted by someone not authorised to deposit into or withdraw from the bank accounts? Yes No

If the answer to any of the Questions above is No, please provide further details in the space below:

51. If you require **Partners Previous Business cover** please advise:

**Names of Partners/ Principals/
Director**

Name of Previous Practice

**Period Practicing as a Partner /
Principal / Principals / Directors**

DECLARATION

By signing this proposal form you consent to Lion Underwriting using and disclosing the information we may hold about you in accordance with the Privacy section of this proposal form and our Privacy Policy, which can be found on our website - www.lionunderwriting.com.au.

[In this section 'you' refers to the Proposer]

By signing this Declaration, you declare that

- you have read and understood the Important Notice information in this proposal form;
- to the best of your knowledge and belief, the statements, representations and particulars contained in this proposal form are true and complete;
- after full enquiry having been made, you have not omitted, suppressed or mis-stated any material facts which may be relevant to the Insurer's consideration of this proposal form;
- you undertake to inform the Insurer of any change to any material fact that occurs prior to the point at which the insurance contract has been agreed; and
- you have the authority to complete and sign the proposal form on behalf of the entity who will be insured under this policy.

By signing this Declaration, you confirm you understand that

- the information you provide in this proposal form will be used in deciding the price charged by the Insurer for the risk and whether the Insurer will accept the application and the terms of any policy provided;
- the application for insurance may not be accepted for coverage and that, if your application is accepted, you have no coverage unless and until we have received payment of the premium and a policy schedule has been issued to you;
- signing this form does not bind you or the Insurer to complete the insurance; and
- if your business acquires, merges with or absorbs another business during the period of insurance, the Insurer will require similar information in relation to that business and may charge an additional premium.

Insured's Name:

Date:

Position:

Insured's Signature:

Please note, if you wish to submit your form via email, an indication of terms and conditions may be provided on the basis of this proposal form. A signature is required before a contract of insurance can be made.

We recommend that you should keep a record of all information supplied to us, including copies of letters and this proposal form, for the purpose of entering into this contract.