



FENTON GREEN & CO / CPA SCHEME

PROFESSIONAL INDEMNITY INSURANCE

PROPOSAL FORM

Please answer all questions fully (strokes are not sufficient). If there is insufficient space please give details on your letterhead. The proponent alone is responsible for the accuracy of all information furnished in connection with the proposal. Where applicable, tick to indicate your answer.

NOTICE TO THE PROPOSED INSURED

(pursuant to the provisions of the Insurance Contracts Act 1984)

IMPORTANT NOTICES

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty, under the Insurance Contracts Act 1984, 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, on 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.

Your duty however does not require disclosure of any matter:-

- that diminishes the risk to be undertaken by the Insurer;
- that is of common knowledge;
- that you Insurer knows or, in the ordinary course of its business, ought to know;
- as to which compliance with your duty is waived by the Insurer

It is important that all information contained in this application is understood by you and is correct, as you will be bound by your answers and by the information provided by you in this application. You should obtain advice before you sign this application if you do not properly understand any part of it.

Your duty of disclosure continues after the application has been completed until the contract of insurance is entered into.

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.

Claims Made Contract

Subject to its terms and conditions the Policy will cover your civil liability for any claim:-

- first made against you during the Policy Period;
- resulting from any circumstance of which you become aware during the Policy Period which could give rise to a future claim against you provided you immediately inform us in writing of such circumstances within the Policy Period.

but limited by the provisions of any clause/s relating to retroactive cover.

The Policy will NOT cover your civil liability resulting from any claim, matter, occurrence or circumstance arising from any breach of a duty owed in a professional capacity in connection with the Firm's Business which was committed or alleged to have been committed of which you were aware before commencement of, and after expiry of, the Policy Period.

Change of Risk or Circumstances

You should advise the Insurer as soon as practicable of any change to your normal business as disclosed in the Proposal, such as changes in location, acquisitions and new overseas activities.

PLEASE NOTE THAT YOUR DUTY OF DISCLOSURE ALSO APPLIES WHEN YOU AMEND, ALTER OR ENDORSE A POLICY.

Subrogation

Where you have agreed with another person or company, who would otherwise be liable to compensate you for any loss or damage which is covered by the Policy, that you will not seek to recover such loss or damage from that person, the Insurer will not cover you, to the extent permitted by law, for such loss or damage.

Utmost Good Faith

Every insurance contract is subject to the doctrine of utmost good faith, which requires that parties to the contract should act toward each other honestly and fairly, avoiding any attempt to deceive in assuming and performing contractual obligations.

Failure to do so on the part of the insured may permit the insurer to refuse to pay a claim or cancel the policy or both.

Average Provision

One of the provisions of the insurance states that where the amount required to dispose of a claim exceeds the sum insured under the Policy the insurer shall only be liable for that part of the total costs and expenses expended in the investigation, defence, avoidance or reduction of any claim as the total sum insured bears to the amount to dispose of the claim.

Not a Renewable contract

Most Professional Indemnity insurances are not renewable contracts so the policy will terminate on the expiry date indicated. If you therefore require a subsequent policy, you will need to complete and submit a new proposal form for assessment prior to the termination of the current policy.

Privacy Statement

Fenton Green & Co and the Insurer (We) are bound by the obligations of the Privacy Act 1988 as amended by the Privacy Amendments (Private Sector) Act 2000 regarding the collection, use, disclosure and handling of personal information. We will protect the privacy of your personal information. We may disclose your personal information to CPA Australia which is utilised by CPA Australia to administer the Members' Professional Indemnity Scheme and to ensure compliance with CPA Australia's Constitution, Bylaws, pronouncements and regulatory requirements.

We will use the information you provide in this Proposal Form (including any supplementary documentation) to consider your application for insurance, to determine policy terms, to assess a claim, etc.

We may disclose your personal information to third parties who we believe are necessary to assist us. These third parties will only use your personal information for the purposes we provided it to them (or if required by law). We may also be required to disclose your personal information to others for the purposes of public safety and/or law enforcement.

If you provide us with personal information about other individuals you must ensure that you obtain consent from those individuals to disclose that information to us.

You are entitled to access your personal information and request any correction if required.

FENTON GREEN & CO / CPA SCHEME

1. (a) Full name of all persons and/or entities to be insured. (It is essential that you specify the names of all entities including service, administrative or nominee companies and subsidiaries that you wish to be covered by this policy).

Business Name: _____ Date this business was established: _____
 Trading Name: _____ / _____ / _____
 Subsidiary Name(s): _____
 ABN No.: _____

- (b) Has the business undergone any significant change (i.e. a change of ownership, been purchased or merged or consolidated with any other business)? If "Yes", please provide details in chronological order.

2. Address(es) of Firm

Business Address: _____ Postal Address: _____

 Name of Person to contact: Mr/Mrs/Ms _____
 Phone No.: _____ Fax No.: _____ Mobile No.: _____
 Email Address: _____

3. Do you hold a CPA Public Practice Certificate? Yes No
 Are you a member of any other professional organisation? Yes No

If "Yes", please supply details.

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4. Please supply the following details

FULL NAMES OF ALL PARTNERS / PRINCIPALS / DIRECTORS	AGE	QUALIFICATIONS	DATE QUALIFIED	PERIOD PRACTICING AS PARTNER / PRINCIPAL / DIRECTOR		CPA MEMBERSHIP NUMBER
				THIS FIRM	PREV. FIRM	

5. Please advise total number of:

(a) Partners/Directors/Principals (b) Other Qualified Staff
 (c) Sub-Contractors (d) Other Total

6. Please provide your total annual gross fees. Due to the implementation of RG126 the CPA Scheme can no longer extend cover to include Financial Planning. Do not therefore include your Financial Planning work and do not include GST.

	Australia	Overseas
Last completed Financial Year	\$	\$
Previous Financial Year ending	\$	\$

If you are just starting a new business please show an estimate for your next financial year.

\$

7. (a) Please indicate the approximate percentage of your annual gross fees from the last financial year (or estimates for new businesses) which was derived from the following type of work where the main interest was:

TYPE OF WORK		Show approx. percentage for last year.	Tick if this business has ever done this type of work.
Audit	Non-profit and private companies	%	<input type="checkbox"/>
	Top 100 ASX Public companies	%	<input type="checkbox"/>
	Public companies – others	%	<input type="checkbox"/>
	Financial institutions	%	<input type="checkbox"/>
	Superannuation & Trust Funds	%	<input type="checkbox"/>
General Accounting / bookkeeping		%	<input type="checkbox"/>
Liquidation / receivership / Insolvency		%	<input type="checkbox"/>
Business Sales and/or Valuations		%	<input type="checkbox"/>
Superannuation & Trust Fund management		%	<input type="checkbox"/>
Investment Funds management		%	<input type="checkbox"/>
Taxation/GST		%	<input type="checkbox"/>
Management accounting		%	<input type="checkbox"/>
Company directorships and/or Secretarial Services		%	<input type="checkbox"/>
Insurance		%	<input type="checkbox"/>
Mergers / Acquisitions		%	<input type="checkbox"/>
Forensic Accounting		%	<input type="checkbox"/>
Investment Advice		%	<input type="checkbox"/>
Mortgage/Finance Broking (separate addendum required)		%	<input type="checkbox"/>
Migration Agency		%	<input type="checkbox"/>
Other accounting activities that do not fit the categories above (please describe in 8(b))		%	

Other non accounting activities (please describe in 7(b))	%	
It might not be possible to include non accounting activities in the CPA Scheme. Fenton Green may be able to make alternate arrangements for you. Do you want your insurance to cover everything detailed in this question?		Yes <input type="checkbox"/> No <input type="checkbox"/>

100 %

(b) If you have included any “Other” activities in 7(a) above then please provide a full explanation of these activities below.

	%
	%
	%
	%
	%
	%

8. Due to the implementation of RG126, the CPA Scheme can no longer extend cover to include Financial Planning.
 RG126 also establishes that an AFS Licence holder is responsible for the actions of their Authorised Representatives and must provide Professional Indemnity insurance cover for them. Are you an AFS Licence holder and would you like Fenton Green to negotiate a separate policy for Financial Planning activities?

Yes No

9. Do you require cover for Mortgage Broking/Originating activities? Yes No

If yes to either 8 or 9 above then please complete the applicable addendum which is available on our website at www.fentongreen.com.au.

10. Please provide approximate percentage of your activities (based on fee income) applicable to each State as determined by the location of your client: (must total 100%)

Australian Capital Territory	%
New South Wales	%
Northern Territory	%
Queensland	%
South Australia	%
Tasmania	%
Victoria	%
Western Australia	%
Overseas	%
100 %	

11. Do you have any Professional Indemnity Insurance Cover currently in place? Yes No

If YES, please state:

Name of Insurer	Limit of Indemnity
Expiry Date of the Policy	Deductible (Excess)
Annual Premium	

12. Please select the amount of Indemnity required:

- \$ 1,000,000 (minimum amount required by CPA Australia By-Laws)
- \$ 2,000,000
- \$ 5,000,000
- \$ 10,000,000

Other – please state \$ _____

13. (a) Have any Claims for negligence or breach of professional duty ever been made against you, your firm, your partners or their predecessors in Business, individually or otherwise (regardless of whether you notified insurers or not) or have you ever notified insurers of any circumstance that could have developed into a claim (regardless of whether you felt that there was any liability or not)?

Ensure that details of any or all past or current claims are disclosed including any claims from previous businesses and complete a claims addendum for each claim.

Yes No

- (b) Are any of the Partners/Principals/Staff, AFTER ENQUIRY, aware of any circumstances which may give rise to a claim against the Firm or their predecessors in business or any of the present or Former Partners.

Yes No

- (c) Have you ever had any proposal for similar insurance declined, cancelled or a renewal refused?

Yes No

- (d) Have you, or any of the Partners/Principals/Staff, ever been subjected to any disciplinary proceedings for misconduct in a professional respect?

Yes No

If YES to (b), (c) or (d) above, please provide further details:

DECLARATION

SIGNING THIS FORM DOES NOT BIND THE PROPOSER OR THE INSURER TO COMPLETE THIS INSURANCE

Our Declaration

The undersigned declares that the statement and particulars in this proposal form are true and that no material facts have been misstated or suppressed after enquiry. The undersigned agree that should any information given by us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, the undersigned will give immediate notice thereof. The undersigned agrees that the Underwriters may use and disclose our personal information in accordance with the "Privacy Statement". The undersigned agrees that this proposal, together with any other information supplied by us shall form the basis of any contact of insurance effected thereon.

TO BE SIGNED BY THE INSURED FOR WHOM THIS INSURANCE IS INTENDED

SIGNATURE: _____

DATE: _____

NAME: _____

POSITION: _____

Return your completed proposal form to:

Fenton Green & Co
 GPO Box 3181, Melbourne VIC 3001
 cpa@fentongreen.com.au

CLAIMS ADDENDUM

If You have answered “**Yes**” to any of the claims’ questions on your proposal form, please provide the following details in respect of each matter.

If more than one matter, copy this form as required before proceeding further.

1. Year of notification: _____

2. Name of Claimant: _____

3. Nature of problem: _____

4. Amount claimed or estimated: _____

5. Amount reserved or paid by Insurers: _____

6. Is the matter finalized or outstanding: _____

7. What action has been taken to ensure that a similar claim would not occur in the future?

If there is insufficient space to answer questions, please continue on your headed notepaper and attach it to this addendum.

Name of Insured: _____

Signed: _____

Dated: _____