

# Professional Liability

## INSURANCE PROPOSAL

### Information and Communication Technology

PROPOSAL



## Notice to the Proposed Insured

*This notice must be read before you complete the proposal form.  
(Pursuant to the provisions of the Insurance Contracts Act 1984)*

### 1. DISCLOSURE OF RELEVANT FACTS

#### 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 which 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 insurance.

Your duty, however, does not require disclosure of a matter:

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

#### 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.

#### Comment

The requirement of full and frank disclosure is of the utmost importance with this type of insurance. This is particularly the case in respect of anything which may be relevant to the risk for which you seek cover (e.g. claims, whether founded or unfounded), or to the magnitude of the risk.

### 2. CLAIMS MADE POLICY (Section A)

This declaration is for a "claims made and notified" policy of insurance. This means that the policy covers you for claims made against you and notified to the insurer during the period of cover.

This policy does not provide cover in relation to:

- acts, errors or omissions actually or allegedly committed prior to the retroactive date of the policy (if such a date is specified);
- claims made after the expiry of the period of cover even though the event giving rise to the claim may have occurred during the period of cover;
- claims notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- claims made, threatened or intimated against you prior to the commencement of the period of cover;
- facts or circumstances of which you first became aware prior to the period of cover, and which you knew or ought reasonably to have known had the potential to give rise to a claim under this policy;
- claims arising out of circumstances noted on the proposal form for the current period of cover or on any previous proposal form.

Where you give notice in writing to the insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts but before the expiry of the period of cover, you may have rights under Section 40(3) of the Insurance Contracts Act 1984 to be indemnified in respect of any claim subsequently made against you arising from those facts notwithstanding that the claim is made after the expiry of the period of cover. Any such rights arise under the legislation only. The terms of the policy and the effect of the policy is that you are not covered for claims made against you after the expiry of the period of cover.

### 3. AVERAGE PROVISION

The policy may provide that if a payment in excess of the limit of indemnity available under the policy has to be made to dispose of a claim, the insurer's liability for costs and expenses incurred with its consent shall be such proportion thereof as the amount of indemnity available under this policy bears to the amount paid to dispose of the claim.

**You should familiarise yourself with our standard form of policy for this type of cover before submitting this declaration.**



# Information and Communication Technology

Policy Number

## The Applicant/s

Name(s) in full of all entities to be insured

  


ABN

Phone No.

Fax No.

Web Address

www.

Address of head/principal office

Postcode

Are you the owner of these premises  or a tenant

Address(es) of branch offices or other locations

Postcode

Postcode

Are you the owner of these premises  or a tenant

Period of Insurance:

When was the Business established? / /

From / / to 4pm on / /

## Details of Business

1.

Period Practicing as  
Partner/Principal/Director

Names of all Partners/Principals/Directors	Age	Qualifications	Date Qualified	This Practice	Previous Practices

2. Please supply total numbers of:

(i) Partners/Principals/Directors		(v) Sales staff	
(ii) Professional qualified staff		(vi) Clerical staff - typists, receptionists etc	
(iii) Other technical staff		(vii) Other staff (please specify)	
(iii) Trainee staff		Total of all Partners/Principals/Directors and staff	

If not contained on your website, please enclose curricula vitae or resumes for all Partners/Principals/Directors detailing qualifications and a summary of career experience.

3. Has the name of the Business ever been changed? Yes  No

4. Has any other business amalgamated or merged with you? Yes  No

5. Have you purchased any other business? Yes  No

6. Is any Partner, Principal or Director connected or associated (financially or otherwise) with any other business? Yes  No

If you answered "Yes" to any of the above, please supply details.

## Details of Business *(continued)*

7. Please provide details of:

a) The precise nature of the activities of the Business, including primary purpose of software/systems provided, sold or licensed including details of any advice provided.


b) The approximate percentage of your gross income derived from the following business activities.

Hardware Sales	%
Hardware Sales (Own Developed) - Addendum form to be completed	%
Third Party Software Sales	%
Software Sales (Own Developed) - Addendum form to be completed	%
Data Communication Services (ISP) - Addendum form to be completed	%
Telecommunication Services	%
Integration Services	%
Maintenance Services	%
Data Processing/Warehousing Services	%
Bureau Services	%
General Consultancy	%
Other (Please Describe)	%
<b>Total</b>	<b>100%</b>

8. Have you previously been, or are you currently, or do you intend to be, within the Period of Insurance, a part of a joint venture, partnership or consortium?

Yes  No

If "Yes", please supply details.

Joint Venturer	Details

9. Do you provide contractual indemnities to anyone in respect of intellectual property licensed or sold or shared? (If "Yes", please supply a copy of your standard indemnity)

Yes  No

10. Do you have sole legal rights to the intellectual property licensed/sold/shared?

Yes  No

If "No", please supply details.


11. Do you act as an agent for any company(s)?

Yes  No

If "Yes", please provide details.

Company	Software/Hardware/Services provided in accordance with the agency	Percentage of agency sales to total turnover

## Details of Business *(continued)*

12. Are you involved in system integration/outsourcing contract(s)?

Yes  No

If "Yes", what is the typical project size?

- Single user location with less than 25 users/sites
- Multi-user locations with less than 75 users/sites
- Multi-user locations with in excess of 75 users/sites

13. Please provide a brief description and contract value for the five(5) largest contracts undertaken over the past five(5) years.

Brief Description	Contract Value (\$)

14. Does any contract or client represent more than 50% of your annual work or fees?

Yes  No

If "Yes", please supply details.


15. Do you engage consultants, sub-contractors or agents?

Yes  No

If "Yes":

- a) do you insist they carry their own Information & Technology Liability Insurance? Yes  No
- b) do you enter into any hold-harmless agreements or otherwise waive any legal rights or entitlements which you may have against such consultants, sub-contractors or agents? Yes  No

16. Do you have all employees, consultants and sub-contractors assign you their intellectual property rights?

Yes  No

(If "Yes", please provide copy of standard agreement.)

17. Do you envisage any substantial changes in your activities or are there any major new operations contemplated during the next 12 months?

Yes  No

If "Yes", please provide details


18. Do you perform work outside Australia, or work for clients located overseas?

Yes  No

If "Yes", please provide an approximate percentage breakdown by country


## Financial Details

19. a) Annual gross wages

	Australia	Overseas
a) Annual gross wages	\$A <input type="text"/>	\$A <input type="text"/>
b) Annual gross turnover current year	\$A <input type="text"/>	\$A <input type="text"/>
c) Annual gross turnover estimated next 12 months.	\$A <input type="text"/>	\$A <input type="text"/>

d) Please provide the approximate percentage of your activities (based on turnover) applicable to each State, Territory and Overseas.

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

## Claims Details

20. After enquiry has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct?

Yes  No

If "Yes", please provide details.


21. a) After enquiry have any claims for negligence or breach of professional duty been made in the last ten(10) years against the Business or any of its predecessors in business or any prior business of any of its former Partners, Principals or Directors, or have circumstances been notified to insurers that might give rise to a claim?

Yes  No

b) After enquiry have you had any claims made against you for Information & Communication Technology Liability including Professional Indemnity and Product Liability?

Yes  No

If "Yes", please provide the following details in respect of each matter.

Date Matter Notified	Name of Insurer (if any)	Name of Claimant or Potential Claimant	Brief Description of Matter	Amount Paid or Estimate of Potential Liability	Is Matter Finalised or Outstanding

22. Are any of the Partners, Principals, or Directors, **after enquiry**, aware of any claim or circumstance that might give rise to a claim against the Business or any prior business of any of their present or former Partners, Principals or Directors, which matter is not referred to in Question 21 above?

Yes  No

If "Yes", please provide the following details in respect to each matter.

Name of Claimant or Potential Claimant	Brief Description of Matter	Estimate of Potential Liability

23. After enquiry has any contract or project experienced cost overruns, delays in implementation, failure of system(s) and/or product(s) to meet full functionality?

Yes  No

If yes, please provide details.

Client/Contract Name	Brief Description or Problem

24. After enquiry has any client refused payment or requested a refund of monies paid?

Yes  No

If yes, please provide details.

Client	Amount of Refund or Non Payment

## Details of Insurance Cover

25 a) Does the Business presently carry, or has it ever carried, Information and Communication Technology Liability Insurance? Yes  No

If "Yes"

Insurer  Limit of Indemnity

Expiry Date  /  /  Premium

b) Has the Business or any Partner, Principal or Director ever been refused this type of insurance, or had similar insurance cancelled, or had an application of renewal declined, or had special terms imposed? Yes  No

If "Yes" please supply details.


## Cover Required

	Limit of Liability	Deductible/Excess
<b>Section A</b> - Errors or Omission	\$A <input type="text"/>	\$A <input type="text"/>
<b>Section B</b> - Bodily Injury/Property Damage	\$A <input type="text"/>	\$A <input type="text"/>

Please indicate any Optional Extension for which you seek cover:

Increased Aggregate Liability (Reinstatement) Yes  No

Third Party Intellectual Property Coverage Yes  No

USA and Canada Coverage Yes  No

## Declaration

I the undersigned, after enquiry declare as follows:

1. I am authorised by each of the other Applicants to make this Application.
2. I have read and understood the Notice to the Proposed Insured on the front of the Proposal Form.
3. I have read this Application and the accompanying documents and acknowledge the contents of same to be true and complete.
4. I understand that, up until a contract of insurance is entered into, I am under a continuing obligation to immediately inform QBE of any change in the particulars or statements contained in this Application or the accompanying documents.

Although the signing of this Application does not bind the applicants to effect insurance, the Applicants acknowledge that the particulars and statements contained in this Application and in the accompanying documents shall be the basis of the contract should a Policy be issued; and further, the Applicants acknowledge that the Application and the accompanying documents will be incorporated in the Policy.

Name of Business

Partner, Principal or Director

Signature

Date  /  /

## Your Insurance Adviser or Broker

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## QBE INSURANCE (AUSTRALIA) LIMITED

ABN 78 003 191 035

### SYDNEY

Phone: (02) 9375 4444  
Fax: (02) 9375 4992  
Level 5, 82 Pitt Street  
Sydney NSW 2000

### MELBOURNE

Phone: (03) 9246 2900  
Fax: (03) 9246 2884  
Level 13, 628 Bourke Street  
Melbourne VIC 3000

### BRISBANE

Phone: (07) 3031 8433  
Fax: (07) 3031 8434  
Level 14, 133 Mary Street  
Brisbane QLD 4000

### ADELAIDE

Phone: (08) 8202 2367  
Fax: (08) 8212 5898  
Level 13, 45 Pirie Street  
Adelaide SA 5000

### PERTH

Phone: (08) 9213 6064  
Fax: (08) 9213 6095  
Level 2, 95 William Street  
Perth WA 6000

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