



**QBE INSURANCE (AUSTRALIA) LIMITED**  
 ABN 78 003 191 035  
 82 Pitt Street  
 Sydney, NSW 2000  
 Telephone: (02) 9375 4444  
 Facsimile: (02) 9375 4992

# Professional Indemnity Insurance Proposal Real Estate Agents and Valuers

**IMPORTANT: Please answer ALL questions fully. If there is insufficient space please provide details on your letterhead. Where provided, tick (✓) appropriate box to indicate answer. The Applicant will be referred to in this Proposal as "You" or "Your".**

## A. Details of Applicant

1. Full name of all 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).


2. Address of head office or principal office.


3. Address(es) of branch offices or other locations.


4. Date on which the Practice was established

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5. Please supply the following details.

Names of all Partners/Principals/Directors	Age	Qualifications	Date Qualified	Period Practicing As Partner/Principal/Director	
				This Practice	Previous Practices
			/ /		
			/ /		
			/ /		
			/ /		
			/ /		
			/ /		

6. Please supply total numbers of:

(i) Partners/Principals/Directors

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(v) Non-technical administrative staff

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(ii) Professional qualified staff

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(vi) Clerical staff – typists, receptionists etc

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(iii) Other technical staff

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(vii) Other staff (please specify)

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(iv) Trainee staff

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**Total all Partners/Principals/Directors and staff**

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### For Sole Proprietors Only – Questions 7 and 8

7. State the experience of your assistants and their length of service.


8. What arrangements do you have to assist you during your temporary absence on business, leave or sickness, or unforeseen emergency?


## B. Details of Practice

9. (a) Has the name of the Practice ever been changed? Yes  No
- (b) Has any other practice or business amalgamated or merged with you? Yes  No
- (c) Have you purchased any other practice or business? Yes  No

If you have answered *Yes* to either (a), (b) or (c), please supply details.


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

If *Yes*, please supply details.


11. Please list the professional bodies or associations to which the Applicant belongs.


12. Please detail the approximate percentage of your fee income derived from the following fields of work.

Type of Work	%	Type of Work	%
(a) Estate agency (general practice)		(f) Loss assessment/adjustment	
(b) Valuation		(g) Insurance agency/financial institutions agency (complete question 16)	
(c) Auctioneering		(h) Property conveyancing/settlement agency/land broking	
(d) Rent collection		(i) Project management	
(e) Strata title/property management		(j) Other (please specify):	
<b>TOTAL</b>			<b>100%</b>

13. Please detail the approximate percentage of your total work in the following areas.

Type of Work	%	Type of Work	%
(a) Domestic Property		(d) Hotel/licensed premises	
(b) Industrial/Commercial Property		(e) Plant/machinery	
(c) Rural Property		(f) Other (please specify):	
<b>TOTAL</b>			<b>100%</b>

14. Do you undertake valuations? Yes  No

If *Yes*,

- (a) Please detail the approximate percentage of your fee income FOR VALUATION WORK derived from the following

Type of Work	%	Type of Work	%
(i) Domestic Property		(v) Plant/machinery	
(ii) Industrial/Commercial Property		(vi) Domestic finance company briefs	
(iii) Rural Property		(vii) Municipal valuations	
(iv) Hotel/licensed premises		(viii) Other (please specify):	
<b>TOTAL</b>			<b>100%</b>

- (b) Are valuations only undertaken by professionally qualified and/or licensed valuers? Yes  No

If *No*, please supply details.


15. Do you provide strata title management?

Yes  No

*If Yes, please provide the following details*

(a) The approximate number of blocks managed during the last 12 months

(b) The approximate number of units managed during the last 12 months

16. Complete if applicable (refer Question 12)

(a) State the number of agencies **with** binding authorities

(b) State the number of agencies **without** binding authorities

(c) State the percentage of total premium written for the following classes of insurance:

(i) Property or business packages

 %

(ii) Liability

 %

(iii) Others (please specify)

 %

17. Please provide brief description, location, type and fees for the five (5) largest contracts undertaken over the past five (5) years.

Brief Description	Location	Type (Industrial, Commercial, Valuation etc)	Fees \$

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

Yes  No

*If Yes, please supply details.*

19. Do you engage consultants, sub-contractors or agents (other than real estate agents)?

Yes  No

*If Yes,*

(a) do you insist they carry their own Professional Indemnity 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

20. 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 supply details.*

21. Are verbal reports always confirmed in writing?

Yes  No

*If No, how do you substantiate such verbal reports.*

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

Yes  No

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


### C. Financial Details

23. (a) Please advise the date of your financial year end

(b) Please provide the amount of gross income/fees for the following:

Australia

Overseas

(i) current financial year (estimate)



(ii) last financial year



(iii) previous financial year



(c) Please provide the amount of the largest annual fee for any one client



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

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

### D. Claims Details

25. Has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct?

Yes  No

If Yes, please supply details.


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

Yes  No

If Yes, please supply the following details in respect to 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?

27. 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 Practice or any prior Practice or any of their present or former Partners, Principals or Directors which matter is not referred to in Question 26 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

## E. Details of Insurance Cover

28. (a) Does the practice presently carry or has the Practice ever carried, Professional Indemnity Insurance?

Yes  No

If Yes, please supply details.

Insurer

Expiry Date

Limit of Indemnity

Premium

(b) Has the Practice or any Partner, Principals 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.


## F. Application for Cover

29. (a) Limit of Indemnity required

(b) Deductible/Excess requested (Each and Every Claim)

(c) Extensions:

(i) Extensions

- Libel and Slander
- Outgoing Principles
- Fraud and Dishonesty
- Loss of Documents
- Trade Practices and Related Legislation

(ii) Please indicate any Optional Extension for which you seek cover

- Increased Aggregate Limit of Indemnity (Reinstatement)
- Fidelity

Yes  No

Yes  No

30. Fidelity Cover

To be completed where the Applicant is applying for the **Fidelity Extension**.

(a) Does the practice presently carry any Fidelity Guarantee Insurance?

Yes  No

If Yes, please give details:

Insurer:

Expiry Date:

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Limit of Indemnity:

Deductible/Excess:

(b) Has the Practice sustained any loss through the fraud or dishonesty of any employee?

Yes  No

If Yes, please supply details and state precautions taken to prevent a recurrence.

  
  

(c) Is any member of the Practice's staff allowed to handle cash or transferrable documents or sign checks on his/her signature alone?

Yes  No

(d) How often and by whom are the entries in the cash book checked with the vouchers and reconciled with the book statements and returned cheques?

  
  

(e) Does the Practice always require and obtain satisfactory references when engaging employees?

Yes  No

## G. Declaration

I the undersigned, after enquiry declare as follows:

- (1) I am authorised by each of the other Applicants to make this Proposal.
- (2) I have read and understood the Notice to the Proposed Insured on the front of this Proposal.
- (3) I have read this Proposal 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 Proposal or in the accompanying documents.

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

Name of Practice

Signed: Partner,  
Principal or Director

Date

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# QBE Professional Indemnity Insurance

## Real Estate Agents and Valuers

### NOTICE TO THE PROPOSED INSURED

(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 us 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 of anything which may be material to the risk for which you seek cover (e.g. claims whether founded or unfounded), or to the magnitude of the risk, is of the utmost importance with this type of insurance. It is better to err on the side of caution by disclosing anything which might conceivably influence the insurer's consideration of your proposal.

#### 2. CLAIMS MADE POLICY

This proposal 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 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.

However, the effect of Section 40(3) of the Insurance Contract Acts 1984 is that 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, the policy will, subject to the terms and conditions, cover you notwithstanding that a claim is only made after the expiry of the period of cover.

Please note that you will only be covered for a claim made against you after the expiry of the period of cover if you comply with the requirements of the statutory benefit provided by Section 40(3). There is no right to obtain this protection under 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.

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

#### 3. AVERAGE PROVISION

The policy provides 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.

# Professional Liability

## **QBE Professional Indemnity Insurance Proposal**

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*Real Estate Agents and Valuers*



SYDNEY

Phone: (02) 9375 4444  
Fax: (02) 9375 4992

Level 4, 82 Pitt Street  
Sydney NSW 2000

MELBOURNE

Phone: (03) 9612 1748  
Fax: (03) 9629 5987

Level 6, 31 Queen Street  
Melbourne VIC 3000

BRISBANE

Phone: (07) 3215 8433  
Fax: (07) 3215 8434

Level 9, 82 Eagle 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 5, 95 William Street  
Perth WA 6000