

# PROFESSIONAL INDEMNITY PROPOSAL FORM

## API VALCOVER

### 1. YOUR DETAILS

1.1 Please provide the full legal name of all entities to be insured under the Policy;


1.2 Date Established

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1.3 Address

	City/State	
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1.4 Principals

Name	Qualification	Date Obtained	Years As Principal	
			This Practice	Previous Practice

1.5 Staff Details (Number of Staff)

Principals/Partners/Directors	
Licensed / Registered Valuers	
Graduate / Student Valuers	
Sales Persons	
Property Managers	
Administrative Staff	
Other Staff	
<b>Total Staff</b>	

1.6 Are you a current financial member in good standing of the API?

YES     NO

If YES, please advise API Membership Number:

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## 2. GENERAL BUSINESS QUESTIONS

<b>2.1</b> Has the name of your business ever changed?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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<b>2.2</b> Have you ever amalgamated or merged with another business?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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<b>2.3</b> Have you purchased any other business or practice?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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If you have answered YES to any of these questions please provide details;


<b>2.4</b> Does any Partner, Principal or Director of the Insured detailed in answer to Question 1.4 of this proposal have any connection or association (financially or otherwise) with any other business or practice?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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If YES, please provide details;


<b>2.5</b> Does any single client represent more than 30% of your total activities?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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If YES, who?


<b>2.6</b> Do you engage sub-contractors?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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If YES;

i. Do you insist and check that they carry their own Professional Indemnity Insurance?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
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ii. What percentage of total revenue is paid to sub-contractors?		%
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iii. Please specify the professional services subcontracted:
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### 3. VALUATION WORK BREAK-UP

#### 3.1 Property Type

Please provide a percentage split of income derived from:	Now	6 Years Ago
Residential under \$2 Million	%	%
Residential over \$2 Million	%	%
Commercial/ Industrial under \$5 Million	%	%
Commercial/ Industrial over \$5 Million	%	%
Rural Properties*	%	%
Retail Outlets	%	%
Hotels / Pubs / Licensed Premises	%	%
Shopping Centres	%	%
Sporting Complexes	%	%
Caravan Parks	%	%
Plant / Machinery	%	%
Business Valuations	%	%
Vacant Land	%	%
Other (please provide details below)	%	%
<b>Total:</b>	<b>100%</b>	<b>100%</b>

\*Rural properties include vacant land, buildings on land and farming or income generation on land outside a City or town centre.

#### 3.2 Approach

Please provide a percentage split of income derived from:	Now	6 Years Ago
Full valuations	%	%
Kerbside / restricted access valuations	%	%
Desktop assessments	%	%
<b>Total:</b>	<b>100%</b>	<b>100%</b>

## VALUATION WORK BREAK-UP CONTINUED

3.3 Purpose	Now	6 Years Ago
Mortgages	%	%
Non- mortgages	%	%
Estate Agency	%	%
- Residential Sales	%	%
- Commercial Sales	%	%
- Residential Property Management	%	%
- Commercial Property Management	%	%
- Business Broking	%	%
- Property Consulting	%	%
<b>Total:</b>	<b>100%</b>	<b>100%</b>
3.4 Development Valuations	Now	6 Years Ago
The proportion of total fees	%	%
If you have conducted development valuations in the last three years, provide the following details;		
i. What proportion were conducted for mortgage purposes?		
ii. Were all conducted and signed off by a valuer with at least 5 years development valuing experience and 10 years general valuing experience?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
iii. How many in this 3 year period?		
iv. How many were over \$5M for mortgage purposes?		
v. How many were over \$10M for mortgage purposes?		
vi. What was the average valuation for mortgage purposes?		
vii. Were any to non-securitised lenders?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
If YES, which Lenders?		

## VALUATION WORK BREAK-UP CONTINUED

### 3.5 Non-Mortgage

Please separate this work as follows:

Rent reviews	%	%
Asset/ tax/stamp duty	%	%
Insurance	%	%
Govt municipal/redemptions	%	%
Tax depreciation schedules	%	%
Expert witness/matrimonial	%	%
Buyers	%	%
Other (please provide details below)	%	%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### 3.6 Mortgage Valuation Recipient

Please separate this work as follows:

Authorised Deposit Taking institutions	%	%
Non-bank securitised lenders (Tier 3)	%	%
Other (please provide details below)	%	%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### 3.7 Have you ever provided any mortgage valuations for any of the following?

1) Property investment funds	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Banksia	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Equititrust	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Provident Capital	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Gippsreal Limited	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Investec Bank	<input type="checkbox"/> YES	<input type="checkbox"/> NO

## VALUATION WORK BREAK-UP CONTINUED

2) Managed Investment Schemes	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Solicitor Mortgage Facilities	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Permanent Custodians/Bluestone Mortgages	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Pepper	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Resimac	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Liberty	<input type="checkbox"/> YES	<input type="checkbox"/> NO
La Trobe	<input type="checkbox"/> YES	<input type="checkbox"/> NO

If YES, please provide details below, including the number of such valuations in all in the last 6 years and the number over \$5M, for each such lender;


**3.8** Please provide details of your 5 largest single valuations undertaken in the past 3 years:

Client	Valuation type	Year	Valuation Amount

**3.9** Please advise the average valuation in the last 3 years:

For Mortgage	\$
For Non-Mortgage	\$

## 4. RISK MANAGEMENT

<b>4.1</b> Do you have formal documented Risk Management protocol?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
If YES, please:		
a) Provide a copy of this document		
b) Advise when was the program implemented?		
c) Is it subject to regular review?	<input type="checkbox"/> YES	<input type="checkbox"/> NO

## RISK MANAGEMENT CONTINUED

4.2 Are all qualified staff provided with ongoing training and education in respect of Risk Management and the application of these programs?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
4.3 Does the Proposer use a standard form of contract or terms of engagement?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
If YES;									
i. Does this contract or terms of engagement contain a clause providing disclaimers, and a limitation to your liabilities?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
ii. Does your standard contract include clauses relating to limitation of use of the valuation?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
4.5 Does the Proposer have in place any formal procedures for the identification and reporting of incidents or circumstances which may give rise to a professional indemnity claim?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
4.6 Does the Proposer have formal procedures in place to review their methods, processes and practices, with the intention of avoiding the future occurrence of any similar incidents or circumstances which may give rise to a professional indemnity claim?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
4.7 Are valuations always confirmed in writing?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
4.8 Are all valuations signed off by a Director or senior licensed valuer?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
4.9 What is your Director to Valuer ratio? (E.g. 1:4)									
4.10 Does the proposer have in place formal peer review processes?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
If YES, advise when they were first implemented									
4.11 Do you employ Graduate / Student valuers?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
If YES, are student / graduate valuers always accompanied by a qualified and registered valuer on all valuations?		<input type="checkbox"/> YES	<input type="checkbox"/> NO						
<b>5. FINANCIAL DETAILS</b>									
5.1 Please advise the total annual gross professional fees for:		<b>Australia</b>	<b>Overseas</b>						
Last financial year									
Average last 3 years									
Estimate next financial year									
5.2 Stamp Duty Split									
Please provide the approximate percentage of your activities (based on fee income) applicable to each State or Territory.									
<b>NSW</b>	<b>VIC</b>	<b>QLD</b>	<b>SA</b>	<b>NT</b>	<b>WA</b>	<b>ACT</b>	<b>TAS</b>	<b>O/S</b>	<b>Total</b>
5.3 If you perform work outside Australia, or work for clients located overseas please provide details of the amount of overseas income and the countries involved:									

## 6. CLAIMS HISTORY

**6.1** 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 a claim?

 YES

 NO

If YES, please provide full details;

Date Notified	Name of Claimant	Brief Description of Matter	Quantum	Status

If YES, have all such claims or circumstances been notified to past insurers?

 YES

 NO

**6.2** 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 6.1 above?

 YES

 NO

If YES, please provide full details including;

Date First Aware of the matter	Name of Potential Claimant	Brief Description of Matter	Quantum

**6.3** Has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct or ever had an application of insurance declined?

 YES

 NO

If YES, please provide details;




**CLAIMS HISTORY CONTINUED**

**6.4** 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;

**7. COVER REQUIRED**

**7.1** Limit of Indemnity Options:

\$1,000,000

\$2,000,000

\$3,000,000

\$4,000,000

\$5,000,000

\$6,000,000

Other

**7.2** Preferred Deductible Options:

\$10,000

\$20,000

Other

**7.3** Do you require Partners' Previous Business cover?

YES

NO

If YES;

Names of Partners requiring cover	Name of Previous Practice	Period Practising as a Partner of previous business

**7.3** Do you require Public Liability insurance?

YES

NO

If YES, what limit do you require?

\$10,000

\$20,000

## PRIVACY ACT CLAUSE

Woodina Underwriting Agency Pty Ltd is committed to protecting the privacy of the personal information you provide us. Woodina collects, uses and retains your personal information in accordance with the National Privacy Principles. We need to collect the personal information on the applicable proposal form to consider your application for insurance and to determine the premium (if your application is accepted) when you are applying for, changing or renewing an insurance policy with us. This information will also be used if you lodge a claim under your policy. We may also need to request additional information from you in connection with your application or a claim.

If you do not provide us with this information, or any additional information we request, we may not be able to process your application or offer you insurance cover or respond to any claim.

We may disclose the personal information we collect:

- To our relevant employees involved in delivery our services;
- If your insurance brokers collects this form from you, to that broker;
- To facilitators such as legal firms, professional experts such as accountants, actuaries, engineers and technology experts;
- To the insurance companies with whom we transact business;
- To the Lloyd's Syndicates we represent (which are located in the United Kingdom);
- To insurance reference bureaux or credit reference bureaux;
- To reinsurers or reinsurance brokers (which may include reinsurers located outside of Australia).

Where we do disclose the information as above the recipient may hold the information in accordance with its own privacy statement / policies. Those may include, by way of example, disclosing the information to and storage of that information by its associated entities which may be located overseas. Full details can be found on the recipient's website. However, we can also provide a copy to you on request. We may also be required to provide your personal information to others for purposes of public safety and law enforcement and if required by law or by a law enforcement body to do so.

You may request access to your personal information, and where necessary, correct any errors in this information (some restrictions and costs may apply).

By completing and returning the proposal form and/or providing us with any additional information in connection with your application, you agree to using and disclosing your information as set out above. This consent to the use and disclosure of your personal information remains valid unless you alter or revoke it by giving us written notice.

From time to time, we may use your personal information to send you details of new insurance products or other insurance related information that may be of interest to you. If you do not wish to receive such information, please contact our General Manager or Operations Manager on (07) 3222 9400.

If you would like to access a copy of your personal information or you wish to correct or update your personal information, please also contact us on (07) 3222 9400 or email [info@woodina.com.au](mailto:info@woodina.com.au)

## DECLARATION

I/We declare and warrant that all the statements and particulars here given are true and that no information whatever has been withheld which might influence a prudent Insurer's judgement and the acceptance of this Proposal. Should the above particulars alter in any way, I/We will advise Insurers as soon as possible.

I/We understand that failure to disclose any material facts which would be likely to influence the acceptance and assessment of the Proposal may result in Insurers refusing to provide indemnity or voiding the policy in every respect.

I/We hereby agree that this Declaration shall be the basis of the contract between me/us and Insurers.

Signed on behalf of all Directors/Principals	
Name	
Title (Director/Principal)	
Dated	



### ***Your Duty of Disclosure***

Before you enter into a contract of general insurance with an Insurer (us), you have a duty, under the *Insurance Contracts Act 1984*, to disclose to us every matter which you know, or could reasonably be expected to know, is relevant to our 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 us;
- that is common knowledge;
- that we know or, in the ordinary course of business as an insurer, ought to know;
- where compliance with your duty is waived by us.

### ***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, we may also have the option of avoiding the contract from its beginning.

### ***Claims Made Policy***

This policy is a claims made policy of insurance. This means that the policy covers you for claims made against you and notified to us during the period of insurance. The policy does not provide cover in relation to:

- events that occurred prior to the retroactive date, if any, specified in the policy;
- claims notified or arising out of circumstances notified under any previous policy;
- claims made against you prior to commencement of the period of insurance;
- claims arising out of claims and circumstances noted on the proposal form for the current period of insurance or on any previous proposal form;
- subject to what is said in the next paragraph, claims made after expiry of the period of insurance though the event giving rise to the claim may have occurred during the period of insurance.

However, where you give notice in writing to us of facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts, but before expiry of the period of insurance, the policy will, subject to its terms and conditions, cover you notwithstanding that a claim is only made after expiry of the period of insurance.

### ***Average Provision***

The Insurer provides that if a payment in excess of the limit of indemnity available under the policy has to be made to dispose of the claim, our liability for costs and expenses incurred with our 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.

### ***Surrender of Waiver of any Right of Contribution or Indemnity***

Where another person or company would be liable to compensate you or hold you harmless for part of all of any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after inception of the policy that you would not seek to recover any loss or damage from that person, you are not covered under the policy for any such loss or damage unless our agreement is obtained beforehand.