

# Architects, Engineers, Design and Construction Professional Indemnity



## Proposal form

New business  or Renewal  Policy number

### Completing the Proposal form

1. This application must be completed in full including all required attachments.
2. If more space is needed to answer a question, please attach a separate sheet with details.
3. The terms Proposer, whenever used in this proposal form shall mean the Policyholder listed below and all Subsidiary companies of the Policyholder for which coverage is proposed under this proposal.
4. The terms Policyholder and Subsidiaries have the same meaning in this proposal form as in the policy.

### Duty of Disclosure

Before you enter into a contract of general insurance with us, you have a duty at common law to disclose to us every matter you know, or could reasonably be expected to know that a prudent insurer would want to take into account in deciding whether to insure you and, if so, on what terms. This applies to all persons to be covered under this contract of insurance.

You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of general insurance.

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

- that diminishes the risk to be insured;
- that is of common knowledge;
- that we know or in the ordinary course of our business we ought to know;
- that we indicate to you that we do not want to know.

### Non-disclosure or misrepresentation

If you make a material misrepresentation to us, or if you do not comply with your duty of disclosure, we may treat your policy as if it never existed.

### False statement and Fraudulent acts

Your policy is based on the information supplied to us by you or on your behalf. All statements made by you or on your behalf on the proposal and/or questionnaire, in support of this policy, on any claim form or in support of any claim must be true and correct. If you take any action or make any statement in connection with this policy or any claim made under it, which is fraudulent in any way or which is supported by untrue or incorrect information, we are entitled to avoid this policy and all benefits under it will be forfeited.

### Privacy Act 1993

Zurich respects your privacy. The following is brought to your attention. However this does not apply to companies.

- (a) This Proposal collects personal information about you;
- (b) The information is collected by Zurich to evaluate the insurance being sought;
- (c) The intended recipient of the information is Zurich;
- (d) The information is being collected and held by Zurich;
- (e) The collection of this information is required pursuant to the common law duty to disclose all material facts relevant to the insurance sought and is mandatory;
- (f) The failure to provide this information may result in your application for insurance being declined, or your insurance being void from the beginning;
- (g) You have rights to access, and correct this information subject to the provisions of the Privacy Act 1993.

### Data sharing consent

In order to provide a seamless insurance service globally, Zurich may transfer any data Zurich has received from and any data it holds on the policyholder to other units of Zurich Insurance Group Ltd, such as branches, subsidiaries, or affiliates within Zurich Insurance Group Ltd, cooperative partners of Zurich Insurance Group Ltd, coinsurance and reinsurance companies located in the country of the policyholder or abroad.

Zurich as well as such recipients may use, process and store the data, in particular for the purpose of risk evaluation, policy execution, premium setting, premium collection, claims assessment, claims processing, claims payment, statistical evaluation or to otherwise ensure Zurich's global insurance service delivery.

If a broker or agent is acting on behalf of the policyholder, Zurich is authorised to use, process and store data of the policyholder received from such broker or agent, and to forward to such broker or agent data of the policyholder relating to the execution of the policy and the collection of premiums and payment of claims.

Zurich may procure data from government offices and third parties relating to the policyholder to assess a claim in the event of loss or damage.

# All questions in this proposal form must be answered

If the Policy is to be in more than one name then the questions below apply to each person insured and this Proposal must be signed by all persons.

## 1 Personal information

1. Full name of person/s or organisation to be insured including trading name/s (the business). Where the Proposer is a company, please give the name of the company and their subsidiaries requiring cover.

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2. Address Postcode

3. Please state the addresses of all other locations from which the business operates including any overseas locations.

Address Postcode

Address Postcode

Address Postcode

Address Postcode

4. Does the Proposer have a website on the Internet?    Yes     No     If 'Yes', please provide URL

Email address

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## 2 The business

1. On what date was the business established?

Please give a complete description of the business and professional activities including details of any advice given and/or services provided.

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2. (a) Has the name of the business 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 business or practice?    Yes     No

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

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3. Does the business envisage that any changes in ownership or operations may take place over the next 12 months?    Yes     No

If 'Yes', please provide details

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**2 The business (continued)**

4. Please supply details in respect of the total number of:

Principals/partners/directors	
Professional qualified staff	
Other technical staff	
Non-technical administrative staff	
Clerical staff – typists, receptionists etc.	
Other staff (please specify)	
Trainee staff	
<b>Total</b>	

*(Please enclose curriculum vitae or resumes for all principals/partners/directors detailing qualifications and a summary of career experience).*

5. In respect of each principal, partner or director of the business, please provide the following details

Name	Age	Qualifications	Date qualified	Years with this firm	Name and number of years with previous firm

6. Are any of the principals, partners or directors financially or otherwise associated with any other business? Yes  No   
 If 'Yes', please provide details

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7. Please list the professional bodies or associations to which the Proposer belongs

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8. Please provide the following details of the business gross fees/turnover (including all subsidiaries requiring cover, noted under Section 1):

- (a) Estimate of fees/turnover for the current financial year
- (b) Fees/turnover received or rendered during the last financial year
- (c) Fees/turnover received or rendered during the previous financial year
- (d) Please provide the amount of the largest annual fee for any one client
- (e) Please indicate whether figures above represent:

New Zealand	Overseas
\$	\$
\$	\$
\$	\$
\$	\$

Fees OR  Gross Turnover

(f) What countries do the overseas component represent?

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## 2 The business (continued)

9. Please detail the approximate percentage of **fee income** derived from the following fields of consulting work

Field of Work		Field of Work	
Acoustic Engineering	%	Mining Engineering	%
Architecture: Commercial/Industrial	%	Mechanical Engineering	%
Architecture: Domestic/Residential	%	Marine Engineering	%
Building Certification	%	Nuclear Engineering	%
Chemical Engineering	%	Petrochemical Engineering	%
Civil Engineering	%	Plumbing Engineering	%
Construction Management	%	Pre-Purchase Building Inspections	%
Design & Construct Management	%	Project Management	%
Drafting / Detailing	%	Structural Engineering	%
Electrical Engineering	%	Surveying (a) Building	
Environmental Engineering	%	Surveying (b) Land	%
Geotechnical / Soil Engineering	%	(c) Marine	%
Heating & Ventilation / Air Conditioning Engineering	%	(d) Mines	%
Hydraulic / Fire Engineering	%	(e) Quantity	%
Interior Designing	%	Town Planning	%
Landscape Architecture	%	Other (please specify)	%
Lifts / Elevators Engineering	%	<b>TOTAL</b>	<b>%</b>

10. Please provide a breakdown of the Proposer's types of projects as follows:

Types of Projects		Types of Projects	
Airports	%	Nuclear / Atomic	%
Amusement rides / Parks	%	Office buildings	%
Apartments / Flats	%	Parking structures	%
Arenas / Stadiums	%	Petrochemical	%
Bridges	%	Pools	%
Churches	%	Pre-engineered buildings / Structures	%
Convention centres	%	Recreation / Playgrounds	%
Dams	%	Roads / Highways	%
Environmental clean up	%	Schools / Colleges	%
Flats / Houses	%	Sewage systems	%
Harbours / Piers / Ports	%	Sewage treatment plants	%
Hospitals / Healthcare	%	Shopping centres / Retail	%
Hotels / Motels	%	Telecommunications	%
Industrial waste treatment	%	Theatres	%
Jails / Prisons / Detention centres	%	Tunnels	%
Landfills	%	Utilities	%
Libraries	%	Warehouses	%
Manufacturing / Industrial	%	Wastewater	%
Rail	%	Water systems	%
Mines	%	Other (please specify)	%
Municipal buildings	%	<b>TOTAL</b>	<b>%</b>

**2 The business (continued)**

11. Please provide a breakdown of the Proposer's activities as follows:

Types of activity	
Feasibility studies, reports where no design is completed	%
Design only, with no construction phase duties	%
Design with observation of construction	%
Observation of construction only	%
Construction management only	%
Design with construction responsibility (Construction subcontracted)	%
Construction with design responsibility (Design subcontracted)	%
<b>TOTAL</b>	<b>%</b>

12. Please provide details of the 5 largest contracts undertaken during the last 5 years

Particulars	Contract value	Year	Contract fees
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$

13. Does any one client account for more than 50% of the business annual income? Yes  No

If 'Yes', please provide details

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Client's name

Nature of services provided to the client

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Income received from the client \$

14. Does the Proposer engage sub-contractors to provide any professional services Yes  No

If 'Yes':

(a) What percentage of professional services is provided by sub-contractors? %

(b) Specify professional services sub-contracted

(c) Is proof of current professional indemnity insurance obtained from sub-contractors? Yes  No

15. Has the Proposer ever been involved in any form of joint venture? Yes  No

If 'Yes', please provide details

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16. Are there any business or professional activities which are no longer conducted by the Proposer (or by any previous company name used by the Proposer)? Yes  No

If 'Yes', please provide details including fee income derived therefrom, the period such activity was conducted and the reason for its discontinuation

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17. What is the average value of the Proposer's contracts?

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**2 The business (continued)**

18. Are standard forms of contract or terms of engagement always used by the Proposer? Yes  No

If 'Yes', please attach copies of those contracts and describe the procedure to alter such standard forms of contract or terms of engagement

If 'No', please provide details of the basis of engagement used by the Proposer

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19. Does the Proposer limit its liability in contracts with clients? Yes  No

If 'Yes', how does the Proposer limit their liability

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20. Does the Proposer ever sign contracts where liability is accepted for consequential losses? Yes  No

If 'Yes', in what circumstances?

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21. Are all non-standard contracts legally reviewed prior to signing? Yes  No

If 'No', who reviews them?

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22. Does the Proposer ever agree to hold harmless any third party for claims arising out of its services? Yes  No

If 'Yes', please provide details.

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23. Does the Proposer ever enter contracts with other parties that limit the other parties' liability? (other parties include clients, subcontractors and joint venture partners). Yes  No

If 'Yes', in what circumstances and what are the limitation amounts?

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24. Are the scope of Professional Services to be performed always clearly set out in the contract or terms of engagement? Yes  No

If 'No', please explain how this is agreed.

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25. Does the Proposer hold ISO or any other third party accreditation for the risk management procedures it utilises? Yes  No

If 'Yes', which accreditation is held and when was this accreditation obtained?

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How often is the accreditation reviewed and by whom is it reviewed?

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26. Are verbal reports or advice always confirmed in writing? Yes  No

If 'No', how are they substantiated?

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**2 The business (continued)**

27. Is legal counsel an in-house function? Yes  No   
If 'No', who provides this service?

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28. Describe **by attachment** the formal procedures in place relating to the following:

- (a) Risk management, quality control and / or compliance.
- (b) The engagement of consultants, sub-contractors or agents.
- (c) The identification and reporting of incidents or facts which might give rise to a professional liability claim.
- (d) Peer review and dual sign-off or approval in respect of any aspect of the business or professional services provided by the Proposer.
- (e) The evaluation and approval of new clients, contracts and tenders.
- (f) Identification and management of conflict of interest.
- (g) When were the above procedures established, how regularly are they reviewed and who are they reviewed by?

**If such procedures are not in place, please advise how these exposures are managed.**

**3 Details of cover**

Does the business presently carry or has the business ever carried Professional Indemnity Insurance? Yes  No

If 'Yes', please supply the following details

Insurer

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Expiry date / /

Limit of Indemnity \$

Excess \$

**Application for Cover**

Limit of Indemnity required \$

Excess required (each & every claim) \$

**4 Claim information**

1. Has the business or any principal, partner or director ever been refused Insurance of the type proposed, had a similar policy cancelled or had special terms imposed? Yes  No

2. Have any claim/s ever been made against the business or its predecessors or against any present or past principals, partners or directors? Yes  No

If 'Yes', please provide details

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?

**4 Claim information (continued)**

3. Are any of the principals, partners or directors aware, after enquiry of all staff, managers and contractors, of any facts or circumstances which may give rise to a claim or claims of the type insured by this policy? Yes  No
- If 'Yes', please provide details

Name of claimant or potential claimant	Brief description of matter	Estimate of potential liability

4. Are any of the principals, partners or directors aware, after enquiry of all staff, managers and contractors, of any accounts overdue for payment where there is reason to believe that the client is dissatisfied with the professional services rendered? Yes  No
- If 'Yes', please provide details

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**5 Optional Extensions**

1. **Contractual Liability**  
 Would you like the policy to be extended to provide cover from claims under an indemnity and/or hold harmless term of a client contract (to the extent civil liability results from your performance of professional services)? Yes  No
- Please complete for Design and Construct Risk only**
2. **Loss mitigation & Rectification**  
 Would you like the policy to be extended to pay for the reasonable direct costs and expenses you incur in taking action to rectify or mitigate the effects off any act, error or omission that would otherwise result in a claim covered under the policy? Yes  No
3. **Novated contracts**  
 Would you like the policy to be extended to provide cover for liabilities you have assumed by reason of novation? Yes  No

**6 Declaration**

- I/We hereby declare on behalf of all proposed insureds that:
- all answers and statements in this proposal are correct and complete in every respect and there is no further information which may affect acceptance of the proposal;
  - if accepted by Zurich, this proposal and declaration, and any other material which I/We have provided Zurich, shall be incorporated into and form the basis of the contract of insurance;
  - I/We understand that Zurich requires this and needs to retain this information in order to decide whether to accept this proposal and also that the Privacy Act 1993 entitles me/us to have access to and request the correction of this information;
  - Zurich is authorised to disclose information received from me/us to its advisors, reinsurers and to other insurers. I/We authorise Zurich to obtain, from any party, information that is, in Zurich's view, relevant to this proposal;
  - I/We understand that the insurance will not be in force until this proposal has been accepted and cover confirmed by Zurich.

For and on behalf of

Signature of Partner, Principal or Director	Date
X	/ /