



Architects & Engineers Professional Liability Insurance

PROPOSAL FORM

Important Notice

Claims-Made and Notified Insurance

This policy is issued by Alpha Insurance Limited on a claims-made and notified basis. This means that the policy only covers Claims (as defined) first made against you during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. The policy does not provide cover for any Claims made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those Claims being made against you.

This policy contains a "Prior Claims/Circumstances" Exclusion for loss in connection with any claim:

- a) made prior to or pending at the inception of this policy; or
- b) arising out of, based upon or attributable to any circumstance that, as of the inception of this policy, may reasonably have been expected by any Insured to give rise to a Claim.

This policy does not provide cover for Claims arising from any Wrongful Acts which take place before the Retroactive Date

Your Duty of Disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty 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, upon 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.

However, your duty of disclosure does not require you to disclose matters:

- a) that diminish the risk to be undertaken by the insurer;
- b) that are of common knowledge;
- c) that your insurer knows, or in the ordinary course of its business, ought to know;
- d) as to which compliance with your duty of disclosure is waived by the insurer.

Your duty of disclosure continues after the proposal form has been completed up until the Policy Period commences.

Consequences of 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.

Subrogation

This policy contains provisions which have the effect of excluding or limiting the insurer's liability in respect of a loss where you have prejudiced the insurer's rights of subrogation where you are a party to an agreement which excludes or limits insurer's rights to recover the loss from another party. You are hereby notified of the effect of these provisions.

Details of Proposer

Practice Name: _____

Trading Name: _____

Contact Person: _____

If you intend to claim an Input Tax Credit for the premium paid for this policy, please specify the percentage of the premium you will be claiming:

_____ %

Policyholder's main office: _____

Street Address: _____

Postal Address: _____

Suburb: _____ Province: _____

Telephone: _____ Facsimile: _____

Website: _____ Email Address: _____

- a) During the past 3 years has the:
 - i) Name of the Practice changed? YES / NO
 - ii) Practice acquired, merged or taken over any other Practice(s), or been acquired, merged or taken over by any other Practice(s)? YES / NO
- b) Is any acquisition, tender offer or merger pending or under consideration by the Practice? YES / NO
- c) Is the Practice aware of any proposal relating to its acquisition by another company? YES / NO

If "Yes" to any of the above, please provide full details (use a separate sheet of your letterhead if insufficient room below), including confirmation of the position relating to past liabilities assumed by either party/ Practice(s).

Please provide details of the current partners/principals/directors of the Practice:

Name of Partner/Principal /Director	Professional Body/Society Name	Qualification(s)	Year Qualified	How many years as a Partner / Principal / Director	
				This Practice	Previous Practice

Use a separate sheet of your letterhead if insufficient room above.

What professional associations does the Practice belong? _____

Please provide details of current staff numbers:

- a) Partners / principals / directors: _____
 - b) Other qualified / technical personnel: _____
 - c) Administration & clerical personnel: _____
- Total:** _____

Is any Partner, Principal or Director of the Practice connected or associated (financially or otherwise) with any other practice or business? YES / NO

If "Yes", please give details of the nature of the connection/association (use a separate sheet of your letterhead if insufficient room below).

Details of the Business

Please provide the total amount of the Practice's gross income/fees for the following periods:

- a) Previous financial year: K _____
- b) Current financial year K _____
- c) Coming financial year (estimate) K _____

Please categorise the business activities undertaken and state the percentage of gross income / fees for each activity:

<i>Business Discipline</i>	
Civil	%
Structural	%
Mechanical	%
Electrical	%
Chemical	%
Process/ Control Systems	%
Environmental	%
Geotechnical	%

Acoustic	%
Heating/ Ventilation/ Air Conditioning	%
Mining	%
Hydraulic	%
Marine	%
Project/ Construction Management	%
Surveying	%
Architecture	%
Interior Design	%
Landscaping	%
Town Planning	%

Use a separate sheet of your letterhead if insufficient room above.

Please further categorise the business activities undertaken by contract type, and state the percentage of gross income / fees for each:

Contract Type	% of Income/Fees
Residential Buildings	%
Commercial Buildings	%
Industrial Buildings	%
Institutional Buildings	%
Modular Buildings	%
Fairground Structures	%
Mines	%
Oil and Gas Pipelines	%
Petrochemical plants/ refineries	%
Nuclear Facilities	%
Foundations/ Underpinning	%
Bridges/ Tunnels	%
Dams	%
Roads	%
Harbours/ Jetties	%
Sewerage plants	%
Waste disposal treatment	%
Pollution Control Systems Design	%
Pre-purchase inspections	%
Land surveying	%
Building surveying	%
Marine surveying	%
Quantity surveying	%

Does any one contract or client represent more than 50% of the Practice's gross annual income/fees?
YES / NO

If "Yes", please give details of the name of the client and what service(s) are provided (use a separate sheet of your letterhead if insufficient room below).

Please provide a brief description of the Practice's five (5) largest clients or contracts during the last 3 years:

	<i>Client name & brief description of business activities</i>	<i>Income/fees</i>	<i>Contract Value</i>
1		K	K
2		K	K
3		K	K
4		K	K
5		K	K

Are any of the Practice's business activities performed outside of Papua New Guinea or provided to clients based outside of Papua New Guinea?
YES / NO

If 'Yes', please give details of the name of the client(s), the country they are located within and what service(s) are provided (use a separate sheet of your letterhead if insufficient room below).

Does the Practice have any subsidiary, assets or employees located within the USA or Canada?
YES / NO

If 'Yes', please give details (use a separate sheet of your letterhead if insufficient room below).

Is the Practice a member of a consortium, Joint Venture or have a financial interest in any other Practice?
YES / NO

If 'Yes', please provide brief details of the work involved, the approximate percentage of total fee income earned from the arrangement and how the liability is divided within the consortium / joint venture.

Has the Practice ever undertaken work in respect of which any potential civil liability is covered by a specific project insurance policy?
YES / NO

If 'Yes', please provide brief details of the project and the gross income / fees received for the Practice's work in relation to the project.

Does the Practice issue any brochures (or other promotional material), code of ethics, annual report or the like?
YES / NO

If 'Yes', please attach copies of each.

Risk Management Questions

Does the Practice have a formal evaluation and approval process, including involvement of the practice's principals, to engage new clients or accept new projects?
YES / NO

If 'No', please provide details of why not (use a separate sheet of your letterhead if insufficient room below).

Does the Practice always use standard written contracts with clients that clearly outline the scope of services provided and contain appropriate limitations of liability?
YES / NO

If 'No' to the above question, does the Practice always use internal or external legal counsel to review non-standard contracts with clients?
YES / NO

If you answer 'NO', to either of the two questions above, please provide additional details below (use a separate sheet of your letterhead if insufficient room below).

Does the Practice operate any quality assurance systems, or utilize risk management programs, or belong to a limitation of liability scheme? YES / NO

If 'Yes', please give details (use a separate sheet of your letterhead if insufficient room below).

Does the Practice work on innovative designs? YES / NO

If 'Yes', please give details (use a separate sheet of your letterhead if insufficient room below).

Do the Practice's principals, partners, directors and employees participate in continuing professional development (internal or external)? YES / NO

If 'No', please give details of why not (use a separate sheet of your letterhead if insufficient room below).

Does the Practice maintain a register of complaints and circumstances that may lead to Claim? YES / NO

If 'No', please give details of why not (use a separate sheet of your letterhead if insufficient room below).

- a) Does the Practice engage any consultants, agents or sub-contractors? YES / NO
- b) If "Yes" to the above, does the Practice enter into any hold-harmless agreements or otherwise waive any legal rights or entitlements which the Practice may have against such consultants, sub-contractors or agents? YES / NO
- c) If "Yes" to (a) does the Practice always insist and confirm that the consultants, sub-contractors or agents carry their own professional indemnity insurance? YES / NO

If "No" to (c), please give details of the type of business activities provided by the consultants, agents or sub-contractors and what percentage of business is sub-contracted out to consultants, agents or sub-contractors (use a separate sheet of your letterhead if insufficient room below).

Are you a sole proprietor / practitioner? YES / NO

If "Yes", what arrangements do you have to assist you during your temporary absence on business, leave, sickness, or unforeseen emergency? (use a separate sheet of your letterhead if insufficient room below).

Claims Information

After enquiry of the Partners/Principals/Directors and employees, has there been or is there now pending a claim against the Practice, its predecessors in business or its current or former Partners/ Principals/Directors or employees for a Breach of Professional Duty? YES / NO

If "Yes", please give details (use a separate sheet of your letterhead if insufficient room below).

After enquiry of the Partners/Principals/Directors and employees is the Practice aware of any circumstance or incident which may give rise to a claim against the Practice or its Partners/Principals/Directors or employees? YES / NO

If "Yes", please give details (use a separate sheet of your letterhead if insufficient room below).

After enquiry of the Partners/Principals/Directors and employees is the Practice aware of any prosecution or investigation (actual or pending) of the Practice or any Partner / Principal/Director or employees under any International, State or Local statute, legislation, regulation or By Law? YES / NO

If "Yes", please give details (use a separate sheet of your letterhead if insufficient room below).

After enquiry of the Partners/Principals/Directors and employees, has the Practice or any Partner/Principal/Director or employee ever been subject to any disciplinary action, been fined or penalised, or been the subject of an inquiry investigating or alleging professional misconduct? YES / NO

If "Yes", please give details (use a separate sheet of your letterhead if insufficient room below).

Details of Insurance

As at today's date does the Practice have Professional Indemnity Insurance currently in force that has been paid for? YES / NO

If 'Yes' please supply details below:

- a) Insurer: _____
- b) Indemnity Limit: _____
- c) Expiry Date: _____/_____/_____
- d) Retroactive Date: _____/_____/_____

Has the Practice ever had any Insurer decline a proposal, imposed any special terms, cancelled or refused to renew a Professional Indemnity Insurance Policy? YES / NO

If "Yes", please give details (use a separate sheet of your letterhead if insufficient room below).

What limit(s) of liability does the Practice require quotations for?

- a) K 1 million b) K 2 million c) K 5 million
 d) K 10 million e) Other: _____

What self insured retention is the Practice prepared to carry?

- a) K1,000 b) K2,000 c) K5,000
 d) K10,000 e) Other: _____

Optional Extension for Environmental Consulting Services

Would you like a quotation for the Environmental Professional Services Optional Extension?

YES / NO

If “Yes”, please state the percentage of gross income / fees derived from each of the following Environmental Consulting Services:

Activity	% of Income/Fees
Decommissioning and Demolition	%
Remedial Investigations	%
Feasibility Studies	%
Remedial Design Plans and Specs	%
Observation and Inspection of Construction	%
Construction and Project Management	%
Real Estate Audits	%
Soil Testing or Analysis	%
Laboratory Testing or Analysis	%
Asbestos / Lead / Mould Abatement Design	%
Environmental Risk Assessments / Audits / Indoor Air Quality Assessments	%
Regulatory Consulting / Permitting	%
Waste Brokering / Recovery /Arranging	%
Health and Safety Training	%
Other (please specify)	%
Total	100%

Use a separate sheet of your letterhead if insufficient room above

Do you anticipate undertaking any professional services in the next 12 months that are not detailed in the answer above? YES / NO

Do the environmental professional services specified above differ in any material way from the Environmental Consulting Services undertaken by you in the past? YES / NO

If 'Yes', please provide additional details.

Optional Extension for Employment Practices Liability

Would you like a quotation for Employment Practices Liability coverage? YES / NO

If 'Yes' has any Claim arising from employment practices liability ever been made against the Insured or, after enquiry of the partners/principals/directors and employees, is the Practice aware of any circumstances which may give rise to a Claim against the Practice or any its partners/principals/directors or employees?

YES / NO

If "Yes", please supply the relevant details and advise what precautions have been taken to prevent a recurrence (use a separate sheet of your letterhead if insufficient room below).

Optional Extension for Fidelity

What limit(s) of liability does the Practice require quotations for?

K 50,000 K 100,000 K 250,000

Cover not required

As at today's date, does the Practice have any fidelity guarantee/crime insurance? YES / NO

If 'Yes' please supply details below:

- i) Insurer: _____
- ii) Indemnity Limit: _____
- iii) Expiry Date: _____/_____/_____
- iv) Deductible: _____

Has the Practice ever sustained any loss through the fraud or dishonesty of any employee, or after enquiry of the partners/principals/directors, and employees is the Practice aware of any circumstances which may give rise to a loss against the Practice? YES / NO

If “Yes”, please supply the relevant details and advise what precautions have been taken to prevent a recurrence (use a separate sheet of your letterhead if insufficient room below).

Are monies, securities and/or negotiable instruments subject to control by at least one partner, principal or director, and one authorised signatory? YES / NO

Is bank reconciliation carried out by someone not authorised to deposit into or withdraw from the bank accounts? YES / NO

When recruiting or promoting Employees to positions of trust involving handling of stock, money, financial or treasury functions, does the Practice undertake independent checks in their employment history? YES / NO

Declaration

Please Note: Signing the Declaration does not bind the proposer or the Insurer to complete this insurance.

I declare that I have made all necessary inquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars given in this proposal are true and complete and that no material facts have been omitted, misstated or suppressed. I agree that should any of the information given by me alter between the date of this proposal and the inception date of the insurance to which this proposal relates, I will give immediate notice thereof to the insurer.

I acknowledge receipt of the Important Notice contained in this proposal and that I have read and understood the content of that Notice.

I confirm that I am authorised by the proposing Practice (and its partners/principals/directors if applicable) to complete this proposal form and to accept the quotation terms for this insurance on behalf of the Practice (and its partners/principals/directors if applicable).

Name: _____

Title: _____

Signature: _____

Date: _____