



PROPOSAL FORM

FOR REAL ESTATE AGENTS



IMPORTANT NOTICE TO THE PROPOSER ON COMPLETION OF THIS PROPOSAL FORM

1. DISCLOSURE

Any 'material change' must be disclosed to Insurers..

A 'material change' is any information which may alter the judgement of an Insurer or their perception of risk and exposure that has not previously been disclosed as a material fact.

Failure to provide all 'material facts' and/or notify all "material changes' may cause the contract of insurance to be void and may result in Insurers repudiating liability entirely.

2. PRESENTATION

This Proposal Form must be completed and signed in ink by an authorised individual, a partner, principal or director of the Proposer.

All questions must be answered. If not applicable, state N/A.

If there is insufficient space to provide answers, additional information should be provided on the Proposer's letter headed paper.

Where available, brochures, standard contract conditions, conditions, agreements and letters of appointment should be provided.

Failure to present Insurers with information in an appropriate manner may adversely influence the ability or willingness of Insurers to offer terms.

3. GUIDANCE

If in doubt as to the meaning of any question contained within this proposal form or the issues raised in Disclosure and/or Presentation, advice should be sought from your contact at Lion Underwriting.

Additional information should be provided on separate sheets clearly identifiable as forming part of the proposal form on company letterhead

GENERAL DETAILS

- 1.1** Please provide the full legal name of all entities to be insured under the Policy:
(It is important you include all service, administration or nominee companies)

1.2 Trading Name:

1.3 ABN:

1.4 Date Established:

1.5 Your Contact Details:

Address:

Telephone Number: Fax:

Mobile:

Email:

Website:

Address of any Branch or other offices:

- 1.6** Principals/Partners.Directors:

Name	Qualification	Date Obtained	Years as Principal	
			This Practice	Previous Practise

- 1.7** Staff Details:

Principals/Partners/Directors: Sales Persons:

Property Managers: Licensed Valuers:

Administrative Staff: Other Staff:

Total Staff:

1.8 Are you a current financial member in good standing of a Professional Association?

Yes No

If **YES**, please provide details of the Associations to which you belong:

YOUR BUSINESS

General Business Questions

2.1 Has the name of your business ever changed?

Yes No

2.2 Have you ever amalgamated or merged with another business?

Yes No

2.3 Have you purchased any other business or practice?

Yes No

If you have answered **YES** to any of these questions please provide details:

2.4 Does any partner, principal or director of the Insured detailed in answer to question 1 of this proposal have any connection or association (financially or otherwise) with any other business or practice?

Yes No

If **YES**, please provide full details:

2.5 Please provide a precise description of your business activities:

2.6 Please provide details of your 5 largest properties:

Brief Description of Contract	Income \$Aus

2.7 Does any single Client represent more than 35% of your total activities? Yes No

2.8 Have there been any substantial changes in your business activities in the past 12 months? Yes No

2.9 Do you anticipate any substantial changes in your business activities in the next 12 months? Yes No

If you have answered **YES** to any of Questions 2.7, 2.8 or 2.9, please provide full details:

2.10 Do you engage sub contractors? Yes No

If **YES**, do you insist they carry their own Professional Indemnity Insurance? Yes No

2.11 Are verbal reports always confirmed in writing? Yes No

If **NO**, please advise details of how these reports are substantiated:

2.12 Do you perform work outside Australia, or work for clients located overseas? Yes No

If **YES**, please provide full details:

For Sole Proprietors ONLY (otherwise please proceed to Question 2.15)

2.13 Please provide details of the length of service & experience of your assistants:

2.14 Please provide details of the arrangements you have in place to assist you during temporary absences?

2.15 Break-up of Activities:

Please state the percentage of your total income derived from:

Residential Property Sales:	<input type="text"/> %	Commercial Property Sales:	<input type="text"/> %
Rural Property Sales:	<input type="text"/> %	Residential Property & Strata Management:	<input type="text"/> %
Business Broking:	<input type="text"/> %	Commercial Property & Strata Management:	<input type="text"/> %
Property Valuations:	<input type="text"/> %	Auctioneering:	<input type="text"/> %
Stock & Station Agent:	<input type="text"/> %	Other: Please Specify:	<input type="text"/> %

Total: **100%**

2.16 Are you involved in "Off the Plan" Real Estate Sales?

Yes No

If **YES**, please advise what percentage of your total income this represents:

%

2.17 If the answer to question 2.16 is greater than 20% please:

a) Provide examples of marketing material relied upon for off the plan sales

b) Advise how many property developers the prospective Insured acts on behalf of?

c) Advise if any one property developer represents more than 25% of the declared income? Yes No

If **YES**, what is the percentage?

%

d) Advise if the prospective Insured has a financial interest in the development companies they sell off the plan properties for and visa versa?

Please complete Questions 2.18 to 2.21 ONLY if you are involved in these activities.

If not, please move to the next section.

Property Management or Strata Management

2.18 a) In respect of Property or Strata Management work only, please provide an approximate percentage split of income derived from:

Residential Properties: %

Industrial / Commercial Properties: %

Rural Properties: %

Retail Outlets: %

Shopping Centres: %

Other: %

Total: **100%**

b) Do you use the standard Property Management and / or Strata Title Management agreements recommended by the Real Estate Institutes or the Society of Auctioneers & Appraisers (SA) Inc? Yes No

If **NO**, please attach a sample copy of the agreement forms you use.

c) Do you maintain a Complaints / Repairs Register to record all reports you receive about problems with properties the Firm is managing? Yes No

Valuation Work (this is formal valuations - not market appraisals)

2.19 In respect of Valuation work only, please provide an approximate percentage split of income derived from:

Residential Properties: %

Industrial / Commercial Properties: %

Rural Properties: %

Retail Outlets: %

Shopping Centres: %

Other: %

Total: **100%**

Property Development

2.20 Are you involved in Property Development?

Yes No

If **YES**, please provide full details of this activity:

Business Broking

2.21 Do you provide Business Broking services?

Yes No

If **YES**, please advise:

Number of businesses brokered in the past 12 months:

Average Sale Price during past 12 months:

\$

Largest Sale price in past 12 months:

\$

Do you specialise in a particular type of business:

Yes No

If **YES**, please provide details:

YOUR RISK MANAGEMENT PROGRAM

3.1 Do you have a documented Risk Management program?

Yes No

If **YES**, when was the program implemented?

3.2 Is one Director / Partner / Principal responsible for the implementation & communication of the program?

Yes No

3.3 Does your Risk Management Program include regular internal / external audits or reviews?

Yes No

3.4 Is the program communicated to and available to all staff?

Yes No

YOUR FINANCIAL DETAILS

4.1 Please advise the total annual gross professional fees for:

Australia

Overseas

Previous 12 Months:

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Current 12 Months:

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Estimate for 12 Months:

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4.2 Stamp Duty Split:

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

ACT	NSW	NT	QLD	SA	TAS	VIC	WA	Overseas
%	%	%	%	%	%	%	%	%

4.3 Are the total assets of your company greater than \$5,000,000?

Yes No

YOUR CLAIMS HISTORY

5.1 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 such a claim?

Yes No

If **YES**, please provide full details:

Date Notified	Name of Claimant	Brief description of matter	Quantum	Status

5.2 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 Question 5.1 above?

Yes No

If **YES**, please provide full details including:

Date First became aware of matter	Name of Potential Claimant	Brief Description of matter	Quantum

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

Yes No

If **YES**, please provide details:

5.4 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

YOUR INSURANCE HISTORY

6.1 Is this a renewal of Lion Underwriting?

Yes No

If your answer is NO, and you currently hold Professional Indemnity Insurance please complete the following:

Name of Insurer:

Expiry Date:

Limit of Indemnity:

Premium:

6.2 Has the firm, any partner, principal or director ever been refused this type of insurance, had special terms imposed, had a policy cancelled or had an application for renewal declined?

Yes No

If **YES**, please provide details:

YOUR COVER APPLICATION

7.1 Limit of Indemnity Options:

\$1,000,000

\$2,000,000

\$3,000,000

\$4,000,000

\$5,000,000

Other:

7.2 Preferred Deductible Options:

7.3 Do you require:

a) A Reinstatement of Aggregate Limit of Indemnity?

Yes No

b) Fidelity?

Yes No

c) Partners Previous Business?

Yes No

7.4 If you require Fidelity Cover please complete the following questions:

a) Do you always obtain satisfactory references before hiring employees?

Yes No

b) Do you require more than one member of staff to sign cheques, handle cash or transferable documents?

Yes No

c) Is bank reconciliation conducted by someone not authorised to deposit into or withdraw from the bank accounts?

Yes No

If the answer to any of Question 7.4 is **NO**, please provide further details in the space below:

7.5 If you require Partners Previous Business cover please advise:

Name of Partners/Principals/Directors	Name of Previous Practice	Period Practicing as a partner/Principal/Director

DECLARATION

By signing this proposal form you consent Lion Underwriting Pty Ltd using the information we may hold about you for the purpose of providing insurance advice and, where appropriate, assistance in relation to handling claims, if any, and to process sensitive personal data about you where this is necessary (for example criminal convictions). This may mean we have to give some details to third parties involved in providing insurance cover. These third parties may include insurance carriers, third-party claims adjusters, fraud detection and prevention services, reinsurance companies and regulatory authorities. In the course of performing our obligation to you, this information may be disclosed to agents and service providers appointed by us, Insurers, (including their re-insurers, legal advisers, loss adjustors or agents). Where such sensitive personal information relates to anyone other than you, you must obtain the explicit consent of the person to whom the information relates both to the disclosure of such information to us and its use by us as set out above. The information provided will be treated in confidence and, where relevant, in compliance with the Data Protection Act 1998. You have the right to apply for a copy of your information (for which we may charge a small fee) and to have any inaccuracies corrected.

I/We declare that the above statements and particulars are true, full enquiry having been made, and I/We have not omitted, suppressed or mis-stated any material facts which may be relevant to the Insurer's consideration of this proposal form and undertake to inform the Insurer of any change to any material fact that occurs prior to the point at which the insurance contract has been agreed. I/We understand that the information I/We provide will be used in deciding the price charged by the Insurer for the risk and whether the Insurer will accept the application and the terms of any policy provided.

I/We understand that if my/our business acquires, merges with or absorbs another business during the period of insurance, the insurer will require similar information in relation to that business and may charge an additional premium.

Print name:

Signature:

On behalf of:

Date:

Please note, if you wish to submit your form via email, an indication of terms and conditions may be provided on the basis of this proposal form. An original signature is required before a contract of insurance can be made. Encrypted signatures are not acceptable.

Signing this form does not bind the Proposer to complete the insurance. We recommend that you should keep a record of all information supplied to us, including copies of letters and this proposal form, for the purpose of entering into this contract.