

Solicitors Professional Indemnity Proposal

Important notice

Material facts

'You' (this includes every person or entity to be insured under this insurance) are under a duty to disclose all material facts that could influence QBE Insurance (Australia) Limited, New Zealand Branch's decision to accept this insurance and, if so, on what terms. You need to disclose facts both known to you and those which you could have been reasonably expected to know about. If you are in any doubt as to whether or not a fact may be material, you should disclose it to ensure that any cover granted is not prejudiced.

Non-disclosure/misstatement

If you fail to comply with your duty of disclosure, QBE may be entitled to avoid the contract altogether, and therefore decline to pay any claim.

Jurisdiction

Except where the parties agree otherwise, the laws of New Zealand apply to this form and any dealings between the parties arising from this form. The New Zealand courts have exclusive jurisdiction in relation to any disputes that may arise.

How to complete this form

- You must answer all questions fully and, if you are completing this form by hand, please ensure you write clearly.
- If you are completing this form electronically, please open it using the latest version of Adobe Reader. Use your mouse/trackpad to take the cursor to the next editable field. Boxes can be ticked either by using your mouse/trackpad or by hitting 'enter'. Upon completion, please print out this form and sign the declaration.
- The signed form should then be posted, or emailed, to your broker.

Broker

Company

Individual

A General information

1. Name of all entities requiring cover, including any subsidiary or newly created companies.

For any entity established in the past 12 months, please state the services provided.

2. Address of Head Office or principal office

3. Phone

4. Email address

5. Website address

6. Date on which firm was established

dd / mm / yyyy

7. Is the firm currently trading?

Yes

No



8. Details of all partners/principals/directors and/or sole practitioners

| First name and surname | Age | Qualifications | Details of last employment - if a new addition since the last Proposal |
|------------------------|-----|----------------|--|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

9. Number of permanent staff, by location

| Location | Partners/sole practitioners | Qualified staff (by examination) | Other staff |
|------------------|-----------------------------|----------------------------------|-------------|
| Principal office | | | |
| Branch office(s) | | | |

B Business details

1. When is the firm's financial year end?

Date

2. Gross fee income

(a) Gross fee income last financial year

(b) Estimated gross fee income for next financial year

3. Fee income by activity

(a) Approximate breakdown of fee income by activity

| | | | | | |
|--|-------------------------------|---|--|-------------------------------|-----------------------------------|
| Conveyancing - domestic | <input type="text" value=""/> | % | Conveyancing - industrial/commercial | <input type="text" value=""/> | % |
| Conveyancing - rural | <input type="text" value=""/> | % | Probate | <input type="text" value=""/> | % |
| Common law | <input type="text" value=""/> | % | Commercial law | <input type="text" value=""/> | % |
| Criminal law | <input type="text" value=""/> | % | Other litigation | <input type="text" value=""/> | % |
| Representation of juveniles - family court | <input type="text" value=""/> | % | Representation of juveniles - criminal law | <input type="text" value=""/> | % |
| Matrimonial | <input type="text" value=""/> | % | Estates and trusts | <input type="text" value=""/> | % |
| Directors' fees | <input type="text" value=""/> | % | Other (insurance, commissions etc) | <input type="text" value=""/> | % |
| | | | | Total | <input type="text" value="100%"/> |

(b) Please specify the nature of 'other' above.

4. Is more than 50% of the firm's annual gross fee income derived from either a single contract or a single client? Yes No

If 'Yes', please provide details.

5. What percentage of the firm's fee income is earned from overseas clients? %

6. Does the firm give advice other than on New Zealand law? Yes No

If 'Yes', what jurisdictions are advised on, what advice/services are provided and what proportion of gross fees relates to each jurisdiction?

| Jurisdiction | Advice/service provided | % of gross fees |
|--------------|-------------------------|-----------------|
| | | % |
| | | % |
| | | % |
| | | % |
| | | % |

7. Are you a 'Reporting Entity' under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (and amendments thereto)? Yes No

If 'Yes', do you comply with the requirements of this legislation? Yes No

8. Does the firm require cover for real estate activities as outlined in the Lawyers and Conveyances Act 2006? Yes No

If 'Yes', please outline the activities the firm proposes to undertake.

9. Has the firm ever changed its name, merged with, or taken over any other practice? Yes No

If 'Yes', please provide details, including dates.

10. Does the firm wish to indemnify partners/principals/directors for past liabilities relating to professional services provided while working for a previous business? Yes No

If 'Yes', please provide details below. Continue on a separate sheet if necessary and tick to indicate enclosure. Enclosed

(a) Name of partner

(b) Name of previous business

(c) Number of partners in previous firm (d) Number of years the partner was in the previous firm

(e) Annual fee income for the previous firm's trading year, prior to the partner leaving NZD

(f) On a separate sheet of paper, please provide the details of the previous firm's claims experience and tick to indicate enclosure. Enclosed

(g) Was the partner responsible for any claims being made against the previous firm? Yes No

| | | |
|---|----------------|----|
| (h) Is the previous firm still trading? | Yes | No |
| If 'No': | | |
| (i) When did it stop trading? | dd / mm / yyyy | |
| (ii) Has separate run-off insurance been arranged for the firm? | Yes | No |
| (i) What was the main focus of work undertaken by the previous firm? (Refer to categories in B3 above.) | | |
| | | |
| (j) What Limit of Indemnity is required? (A sub-limit may be applied.) | NZD | |
| 11. Do you require to be indemnified for dishonesty of employees? | Yes | No |
| If 'Yes': | | |
| (a) Is the firm or any partner of the firm aware of any fraud or dishonesty, at any time, by any present or former employee? | Yes | No |
| If 'Yes', please provide full details, including precautions taken to prevent any recurrence. | | |
| | | |
| (b) Are employees allowed to sign cheques on their signature alone in respect of: | | |
| (i) the firm's general accounts? | Yes | No |
| (ii) the firm's trust accounts? | Yes | No |
| (c) Are any employees allowed to transact a fund transfer with their signature alone? | Yes | No |
| If 'Yes': | | |
| (i) What is the approximate annual value of fund transfers? | NZD | |
| (ii) What is the method of instruction (eg electronic, telephone, written)? | | |
| | | |
| (iii) Can payment be made to any account which has not been pre-agreed? | Yes | No |
| (iv) Is the financial institution required to authenticate the instruction before payment is released? | Yes | No |
| (v) Provide a brief description of the methods used to secure fund transfers (eg passwords, encryption, code words, call-back). | | |
| | | |
| (d) Does the firm always require and obtain satisfactory references when engaging employees? | Yes | No |
| 12. Do you require to be indemnified for dishonesty of partners? | Yes | No |
| (Only applicable for firms with three or more partners) | | |
| If 'Yes': | | |
| (a) Is the firm, or any partner of the firm, aware of any fraud or dishonesty, at any time, by any present or former partner? | Yes | No |
| If 'Yes', please provide full details, including precautions taken to prevent any recurrence. | | |
| | | |

- (b) Do any of the partners have sole signing authority on the firm's:
- | | | |
|-----------------------|-----|----|
| (i) general accounts? | Yes | No |
| (ii) trust accounts? | Yes | No |

13. Do you lend money on behalf of clients or operate a Solicitor's Nominee Company? Yes No

If 'Yes':

- (a) What is the total amount of money invested at the date of completing this Proposal? NZD
- (b) How many mortgages or other loans are in default (either interest or principal) at the date of completing this Proposal?
- (c) What is the total value of mortgages on property in default? NZD
- (d) What action is being taken by your firm in respect of these defaults?
- (e) What was the result of the last nominee company audit?

C Outside trusteeships

1. Total number of trusteeship appointments held by the firm's partners or employees and/or via the firm's corporate trust company.
2. If applicable, which corporate trust company do you use?

D Risk management

1. If you are a sole practitioner, do you have any arrangements in place in the event of sickness or holidays to ensure continuation of the business? Yes No Not a sole practitioner

If 'Yes', please provide full details.

2. Does the firm have a system for monitoring and controlling conflicts of interest? Yes No

If 'Yes', please explain how potential conflicts are identified and managed.

3. Does the firm's risk management procedures include:

- | | | |
|--|-----|----|
| (a) letters of engagement, detailing the firm's scope of services? | Yes | No |
| (b) letters of non-engagement/disengagement? | Yes | No |
| (c) diary system with daily back-up? | Yes | No |

If 'No' to any of 3(a) to 3(b) above, please explain why not.

E Claims experience

1. Has any partner, principal, director or staff member ever been subject to disciplinary proceedings for professional misconduct? Yes No

If 'Yes', please provide full details.

2. After enquiry, have any claims for negligence or breach of professional duty been made in the past five years against the firm, its predecessors, or any prior practice of any of the present or former partners, principals or directors, or have any circumstances been notified to insurers that might give rise to a claim? Yes No

If 'Yes', please provide details.

| Date of loss | Description of loss | Amount of loss/claim |
|----------------|---------------------|----------------------|
| dd / mm / yyyy | | NZD |
| dd / mm / yyyy | | NZD |
| dd / mm / yyyy | | NZD |
| dd / mm / yyyy | | NZD |
| dd / mm / yyyy | | NZD |

3. After enquiry, are any partners, principals, directors or senior staff aware of any claim or circumstance that might give rise to a claim? Yes No

If 'Yes', please provide full details.

F Prior insurance

1. If this Proposal is not in respect of a renewal, please provide details of your current insurance.

| | | | | | |
|--------------------|-----|--------|-----|-------------|----------------|
| Insurer | | | | Expiry date | dd / mm / yyyy |
| Limit of Indemnity | NZD | Excess | NZD | Premium | NZD |

Terms and conditions of cover:

2. In respect of the cover now being applied for, has any insurer ever:

- (a) declined to insure you? Yes No
- (b) cancelled or refused to renew your insurance? Yes No
- (c) imposed special terms or conditions in respect of ANY insurance for you? Yes No

If 'Yes' to any of 2(a) to 2(c) above, please provide full details including the name(s) of the insurer(s).

Declaration

I/We declare, on behalf of all proposed insureds, that:

- a 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.
- b If accepted by QBE, this proposal and declaration, and any other material which I/we have provided to QBE, shall be incorporated into and form the basis of the contract of insurance.
- c I/We understand that QBE requires this information (which will be retained by QBE) in order to decide whether or not to accept this proposal, and also that the Privacy Act 2020 entitles me/us to have access to, and request the correction of, this information.
- d QBE is authorised to disclose information received from me/us to its advisers, reinsurers and to other insurers. I/We authorise QBE to obtain, from any party, information that is, in QBE's view, relevant to this proposal.
- e I/We understand that the insurance will not be in force until this proposal has been accepted and cover confirmed by QBE.

Note: Signing this proposal and any supplementary questionnaires does not bind either the applicant or QBE to complete the contract of insurance.

Signed by applicant

Date

dd / mm / yyyy

Printed name

Phone

Position

Mobile

Email address

SAVE AS

PRINT