



Proposal Form

Accountants' Professional Indemnity Insurance

Important Notes:

- (i) You are advised to take particular care when answering the questions in the Proposal and it is recommended that enquires are made of all staff, solicitors and other qualified staff.

Failure To Do So Could Prejudice Your Right To Indemnity if a claim should arise.

- (ii) Please check that all questions have been fully answered.
- (iii) Please ensure all material changes during the period of the policy are fully and immediately reported your Broker.

1. Name of Firm: _____
Name of any other entity to be Insured: _____
Street Address of principal office: _____
Street Address of other offices: _____
Date Established: _____

- | 2. | Details of Partners/Directors
Surname/First Names | Age | Qualifications | Details of last Employment if
joined in last 12 months. |
|----|--|-------|----------------|--|
| | _____ | _____ | _____ | _____ |
| | _____ | _____ | _____ | _____ |

3. Period of Insurance from 4 pm on ____/____/____ to 4 pm on ____/____/____

4. Limit of Indemnity required

Excess required

5. Total number of principals and staff permanently located at:

(1) Principal Office and (2) Branch Office

- | | | |
|--------------------------------------|-------|-------|
| (a) Partners/Directors | _____ | _____ |
| (b) Qualified Staff (by examination) | _____ | _____ |
| (c) Other staff | _____ | _____ |



6. (a) Total amount of gross fees for last financial year ended ____/____/____ \$ _____

(b) Total amount of gross fees estimated for next financial year ____/____/____ \$ _____

7. Does the Firm's practice extend or has it ever extended to activities outside New Zealand?

Yes / No

If YES, please state which countries were involved, type of work undertaken and what proportion of total fees were obtained from each country?

8. Approximate division of Gross Fees (as percentage of total)

Audit – Public Listed Companies and/or Financial Institutions _____ %

Audit – other _____ %

Accounts Preparation/Bookkeeping _____ %

Insolvency/Liquidation _____ %

Company Secretarial/Registrar _____ %

Taxation _____ %

Management Consulting _____ %

Mergers/Acquisitions _____ %

Outside Directorships _____ %

Outside Trusteeships _____ %

Investment Advice _____ %

Other (please specify as these services may not be covered) _____ %

Do you wish the Underwriter to consider cover for other services?

Yes / No



9. If Audit work is undertaken please complete this question.

a) Does the Firm undertake any audit work in relation to any Publicly Listed Companies, Financial Institutions or Offshore Companies? Yes / No

If YES, please give details of these audits below.

b) In the last financial year how many audits or statements made by the firm have been included in any prospectuses issued to the public? Yes / No

If YES, please give details of these audits below.

c) Are regular internal peer reviews of audit files undertaken? Yes / No

d) Has any entity declared in the above questions ever had reason to restate any financial statements prepared by the Firm? Yes / No

If YES, please give details of these audits below.

e) Please provide details of any previous or current audit clients who have been placed into liquidation, receivership or statutory management in the last financial year.

f) Please provide details of the firms 5 largest audit clients

(i) Client Name	_____	Fee's Received	_____	Asset Size
ii) Client Name	_____	Fee's Received	_____	Asset Size
iii) Client Name	_____	Fee's Received	_____	Asset Size
iv) Client Name	_____	Fee's Received	_____	Asset Size
v) Client Name	_____	Fee's Received	_____	Asset Size

10. Has any application for any of the indemnities requested in this proposal form and on behalf of the firm or its predecessors in business, ever:

(a) been declined or has such insurance ever been cancelled or renewal refused? Yes / No

If YES, please give details.

(b) Had any special terms imposed? Yes / No

If YES, please give details.



11. **AFTER ENQUIRY** of all present Partners/Directors and employees, is the firm aware of any losses sustained or claims made against the firm, its predecessors in business or any present or former partners/directors, in respect of any of the indemnities requested in this proposal?

Yes / No

If YES please supply all particulars including any claims lodged with previous insurers (append full details if the space provided is insufficient)

12. **AFTER ENQUIRY** of all Partners/Directors and employees, is the firm aware of any circumstance which may give rise to a claim or allegation of professional liability or negligence being made against the firm, its predecessors in business or any present or former Partners/Directors?

Yes / No

If YES, please supply full particulars

13. Has the firm changed its name, merged with, or taken over any other practice? If so, please specify details.

Yes / No

If YES, please supply full particulars (including proposal forms and claims history)

Is cover required for the liabilities of this acquired or merged firm?

Yes / No

14. Other than as answered in Question 13 above, does the firm wish to indemnify partners/directors for past liabilities for professional services provided by firms they were previous partners in?

Yes / No

If YES, please supply full particulars as below

a) Name of Partner(s)/Directors(s) and Previous Firm(s) to be covered:

b) Date(s) when Partners(s)/Director(s) left previous firm



c) Is insurance currently in place for the previous firm(s)

d) Have any of the persons named in (a) been subject to any claims or circumstances whilst at previous firms?

Yes / No

If YES, please supply full particulars

15. Do you require to be indemnified for Dishonesty/Fidelity of Employees?

Yes / No

(a) Does the firm or any partners/directors of the firm, know of any fraud or dishonesty at anytime of any present or former employee or partner?

Yes / No

IF YES, give details including precautions taken to prevent recurrence.

(b) Are any employees allowed to sign cheques on their signature alone in respect of:

(i) the firm's general account

Yes / No

(ii) the firm's trust account

Yes / No

(b) Does the firm always require and obtain satisfactory references when engaging employees?

Yes / No

16. 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?

_____ \$

(ii) Please specify the method of instruction (i.e. written, electronic, computer, telephone etc)

(iii) Can payment instructions 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



17. (a) Do you require to be indemnified for Dishonesty of Partners/Directors (*only applicable for firms 3 or more partners*)? Yes / No

(b) Does the firm, or any partner/director of the firm, know of any fraud or dishonesty at any time of any present or former partner/director? Yes / No

(c) Do any of the partners have sole signing authority on any of the firms accounts Yes / No

If YES for (b) or (c), please give full details.

18. Do you have a system for monitoring Time Limitations (e.g. Taxation due dates)? Yes / No

If YES, Please state the nature of these systems:

Please describe any other Risk Management/Quality Control Procedures that the firm uses.

19. In respect of Trustee appointments held on behalf of clients, please answer the following:

(i) Total number of Trusteeship Appointments held by Partners/Directors or Employees of the firm _____

(ii) Have any claims ever been made against the firm or have any circumstances ever occurred which would have resulted in a claim under proposed insurance? Yes / No

If YES, please provide details.

(iii) Has any representative of the Firm ever been investigated, fined or disciplined in relation to an appointment as a Trustee? Yes / No

If YES, please provide details.



Please provide the following details for all outside Trusteeship appointments (i.e. appointments you hold on behalf of clients), using the following headings and continuing on a separate sheet of paper if required.

Name of Accountant	Name of Organisation	Nature of Business
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

20. In respect to Directorship appointments held on behalf of clients, please answer the following:

- (i) Total number of Directorship Appointments held by Partners/Directors or Employees of the firm.

- (ii) Have any claims ever been made against the firm or have any circumstances ever occurred which would have resulted in a claim under the proposed insurance? Yes / No

- (iv) Has any representative of the Firm ever been investigated, fined or disciplined in relation to an appointment as a Director? Yes / No

If YES, please provide details.

- (iv) Please provide the following details for all Outside Directorship appointments (i.e. appointments you hold on behalf of clients), using the following headings and continuing on a separate sheet of paper if required.

Name of Accountant	Name of Organisation	Nature of Business
_____	_____	_____
_____	_____	_____
_____	_____	_____

- (v) Do any of the organisations/companies referred to in question 20(iv) have their own Directors and Officers Liability Insurance? Yes / No

If YES, please advise.



Declaration

I/WE hereby warrant that the above statements are true, that I/We have not suppressed mis-stated any facts and that should any of the information given by me/us alter between the date of this proposal and the inception date of the insurance to which this proposal relates, I/We will give immediate notice thereof. I/We agree that this proposal form shall be the basis of the Contract.

Name of Firm _____

Signed by: _____

(Partner)

Date: _____

Signature Of This Form Does Not Bind The Firm Or The Underwriters To Complete The Insurance

Pursuant to the **Privacy Act** 1993 the following is brought to your attention:

- (a) This form collects personal information about the employees and partners of your firm
- (b) The information is collected to evaluate the submission to insurers
- (c) The intended recipient of the information is AIG Insurance New Zealand Limited and insurer(s)
- (d) The information is being collected and held by AIG Insurance New Zealand Limited and insurer(s)
- (e) The collection of this information is required pursuant to providing terms of your insurance cover.
- (f) You have the rights of access to, and correction of, this information subject to the provisions of the Privacy Act 1993.



Bring on tomorrow

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