

PROPOSAL FORM
FOR
PROFESSIONAL INDEMNITY INSURANCE
(DESIGN AND CONSTRUCT PROFESSIONALS)

1. PURPOSE OF FORM

The purpose of this form and any attachments is to help underwriters understand your risk. Answer all questions leaving no blank spaces. If you have insufficient space to complete any of your answers, continue on your headed paper.

Please attach the last Annual Statement and Report and any Interim Report issued since. Please also provide a brochure, if possible, and sight of any standard contract terms, conditions, agreements or letters of appointment which you might have with your clients.

2. DISCLOSURE OF MATERIAL FACTS

It is essential that every Proposer or Assured, when seeking a quotation, taking out or renewing an insurance, reveals to prospective underwriters any material facts or information (including any material circumstances or change in circumstance) which might influence the judgement of an insurer in fixing the premium or in determining whether he will accept the risk. Failure to do so may render the contract of insurance voidable from inception at the discretion of the underwriters.

If you have any doubt as to what constitutes a material fact or circumstance, you should seek advice from your broker.

3. DECLARATION

This form must be signed and dated by a Director and the Compliance Officer of the Proposer.

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Explanatory Notes

Please read these notes carefully before answering each relevant question.

1. Please ensure that the correct title of the firm is shown together with any other trading titles, including subsidiary, associated or predecessor firms for which cover is required.

4.
 - a. Please provide a full curriculum vitae in respect of any member of your design team who does not hold relevant institute/academic qualifications.
 - c. If you do appoint or employ consultants please state on the supplementary sheet provided:
 - (1) Identity and discipline
 - (2) Fees paid to each during last financial year
 - (3) Do you require them to carry a minimum level of professional indemnity cover? If so, how much?

7. Turnover figures relate to construction value and therefore should be declared exclusive of land purchases. Underwriters calculate the premium required by applying a rate per cent to the turnover figures declared under question 7. Various reductions in rate can be negotiated should you be able to identify low risk areas. Do not hesitate to use the additional sheet to show a more detailed split in your turnover should you feel that this would provide Underwriters with a more accurate profile of your firm and its design responsibilities. Please advise whether turnover shown under question 7b) is fee income or construction turnover. If coverage is required in respect of past work please provide turnover figures for each of the last 6 years, if applicable, split in accordance with question 7.

13. The purpose of this question is to elicit details of all claim/s made against the firm, regardless of whether or not said claim/s were successful, or whether dealt with by underwriters or yourselves. Information relating to claims should include:
 - (a) date of notification
 - (b) claimant
 - (c) details of project
 - (d) a précis of the problem involved
 - (e) amount of claim
 - (f) if settled provide information regarding date settled and the outcome including details of payment madeTerms such as *see your records* or *refer to broker* are not acceptable.

14. Specify all circumstances or events that may lead to a claim irrespective of whether or not you feel that such a claim may be successful. You should also include details of disclosures now considered closed by underwriters or indeed any circumstances not accepted by underwriters for whatever reason.

NB. The answers to questions 13 and 14 are very important and should only be given following enquiry of all directors and members of the design team

Do not hesitate to ask your broker for advice on the completion of this form, especially with regard to questions 7 and 14

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1. Name of firm(s) for which indemnity is sought and profession:

2. When was the firm established?

3. Address(es) of firm:

Telephone number

4. (a) Please supply details of your design staff as follows:

Names of principals and senior members of staff	Qualifications in full	Date qualified	Title of position and length of time as such
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(b) Numbers of staff	Home based	Overseas based
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Principals, partners & Senior qualified members as listed	_____	_____
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Other technical and qualified staff	_____	_____
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Clerical, typists, others	_____	_____
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TOTALS	_____	_____
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(c) Do you use independent specialist consultants? Yes / No

If yes, please give full details

Do you require them to carry a minimum level of professional indemnity cover? Yes / No

If yes, how much?

(d) Are any persons ever hired from outside agencies on a short term basis? Yes / No

If yes, please give full details

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5. Please give an approximate percentage split of the disciplines within your design and consultancy department:

Architectural	%	Chemical Engineering	%
Civil Engineering	%	Soil Engineering	%
Structural Engineering	%	Nuclear Engineering	%
Mechanical Engineering	%	Surveying - land	%
Electrical Engineering	%	- quantity	%
Heating and Ventilating	%	- building	%
Engineering	%	Others (please specify)	%

6. (a) Indicate as a percentage of total work the extent of the following activities

	Design only (%)	Design and construction (%)
Home Building		
1. Individual dwellings	_____	_____
2. Low rise multiple dwellings	_____	_____
3. High rise multiple dwellings	_____	_____
4. Modular dwellings (i.e. involving repetitive design)	_____	_____
Engineering construction		
1. Highways	_____	_____
2. Bridges, tunnels and dams	_____	_____
3. Railways, airports, harbours and jetties	_____	_____
4. Sewages/water schemes	_____	_____
Industrial		
1. Power plants	_____	_____
2. Refineries and petro chemical installations	_____	_____
3. Manufacturing plants	_____	_____
4. Industrial building systems	_____	_____
5. Offices/commercial properties	_____	_____
Amenities		
1. Hospitals and nursing homes	_____	_____
2. Schools and universities	_____	_____
3. Hotels and recreation centres	_____	_____
Other or specialist construction (please specify)	_____	_____

Do you engage in the manufacture or fabrication of any pre-engaged unit? Yes / No

If yes, please give the following details:

(b) Add here a statement of the type of work normally carried out, whether consisting of well established techniques or the nature of new and original thought developments, processes or designs employed.

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(c) Have you ever failed to complete a project? Yes / No

If yes, please explain reason and type of project etc.

7. Please give details of turnover. Please specify period.	Current financial year		Estimate for coming financial year	
	Period / / Local	Overseas	Period / / Local	Overseas
(a) Turnover where firm designs and constructs from their own design and provides full technical supervision	_____	_____	_____	_____
(b) Turnover of these departments where firm provides design and technical services where no construction is involved by firm	_____	_____	_____	_____
(c) Turnover where firm constructs from others designs performed on behalf of the firm	_____	_____	_____	_____
(d) Turnover firm constructs from others design and technical supervision performed on behalf of the firm	_____	_____	_____	_____
(e) Other turnover not mentioned above, please give brief details	_____	_____	_____	_____
TOTAL TURNOVER	_____	_____	_____	_____

8. Please give total turnover for each of the last five years

19_____	HKD_____
19_____	HKD_____
20_____	HKD_____
20_____	HKD_____
20_____	HKD_____

9. (a) Please give details, on a separate sheet of the seven largest contracts commenced during the last five years where the design and consulting department has been involved providing the following:

1. Date started
2. Name and type of project
3. Services performed
4. Total contract value
5. Estimated date of completion

(b) Please give details of any major new operations being undertaken during the next twelve months.

(c) Does any contract or client represent more than 80% of annual work? Yes / No

10. Is the Firm a member of a professional Body or Association? If so state details. Yes / No

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11. Are you financially associated with any other firms? Yes / No

If yes, please give details

12. During the past five years, has the name of the firm been changed or has any other business been purchased or was a merger or consolidation taken place? Yes / No

If yes, please give full details

13. (a) Do you currently hold Professional Indemnity Insurance? Yes / No

If yes, please give the following details

Period	Insurer	Limit	Excess	Premium
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(b) Has any proposal for similar insurance made on behalf of the firm, and predecessors in business, or present partners or directors, ever been declined or has any such insurance ever been cancelled or renewal refused? Yes / No

If yes, please give details

14. Has any claim been made against this firm or any director, partner, principal or senior member of the staff while in a previous firm? Yes / No

If yes, please give details

15. Is the proposer aware, after full enquiry, of any circumstance or incident which has or may result in any claim being made against the firm or any of the directors, either past or present, whilst they were in the firm, or in any previous firm, or any of the employees? Yes / No

If yes, please attach a statement giving full details

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16. What is the amount of indemnity required?

17. What is the amount of excess which your firm would be prepared to carry in respect of each claim?

DECLARATION

I/We declare that the statements and particulars in this proposal are true and that I/we have not mis-stated or suppressed any material facts. I/We agree that this proposal, together with any other information supplied by me/us shall form the basis of any contract of insurance effected thereon. I/We undertake to inform underwriters of any material alteration to these facts whether occurring before or after completion to the contract of insurance. Signing this proposal form does not bind the proposer or underwriter to complete this insurance.

Dated this _____ day of _____ 20_____

For and on behalf of _____

Signed

Title of Officer _____

Signed

Title of Officer _____

Signed

Title of Officer _____