

PROFESSIONAL INDEMNITY PROPOSAL FORM ACCOUNTANTS

EACH OF THESE QUESTIONS MUST BE ANSWERED COMPLETELY

If the space provided for an answer is insufficient, please state "See attached" and answer the question on a separate sheet.

1. Name and address(es) of the Firm _____

2. When was the Firm established? _____
 mm/dd/yy

3. a) Has the name of the Firm been changed in the past 10 years? YES NO
 If "YES", give details _____

b) Has any amalgamation taken place during this period? YES NO
 If "YES", give details _____

4. Please give below the names and qualifications of Partners

Name	When Qualified (mm/dd/yy)	Qualifications	Length of practice with Partnership/Firm

5. Please state the number of:
 a) Qualified Assistants and Consultants _____
 b) All other Staff _____

6. Is cover required for any independent Accountant to whom work is sub-contracted? YES NO

If "YES", give details _____

Name	Qualifications	Fees paid (Last financial year)

7. Is cover required for any Partner for his liability prior to joining the above Firm(s)? YES NO

If "YES", please state:
a) Name of Proposer (s) _____

b) Name of previous Firm(s) _____

c) Date upon which he/they left the Firm(s) _____
mm/dd/yy

8. Please state for each period

	<u>Past Financial Year</u>	<u>Current Financial Year</u>	<u>Est. Coming Financial Year</u>
a) Total gross fees and commissions	\$	\$	\$
b) Largest total from any one Client or Group	\$	\$	\$
c) Average fee per Client or Group	\$	\$	\$

9. DIVISION OF GROSS FEES (as a percentage of total) for last available financial year (this division to be approximately only, as there may be considerable overlap between the types of work)

- a) Audit, Accountancy and Company Tax %
 - i) Quoted Companies %
 - ii) Unquoted Companies %
 - iii) Others (including farmers, small traders etc). %
- b) Taxation only %
- c) Management Consultancy %
- d) Consultancy only %
- e) Secretarial and Share Registration %
- f) Executorship and Trusteeship %
- g) Insolvencies, Liquidations and Receiverships %
- h) Insurance, Building Society and Stock Exchange Commissions %
- i) Directorships %
- j) Any other – please give full details %

10. If more than 15% of your total gross fees for the last financial year are earned from one Client or Group, please specify:
- a) Name of Client or Group _____
- b) Geographical locations _____
- c) Amount of Fee/Commission _____
- d) Type of work carried _____

11. If any work has been carried out by yourselves or by any other Firm or individual whether formally lined with yourselves or not, on your behalf during the past 3 years, please specify as follows:

	Year 1	Year 2	Year 3
<u>Gross fees and commissions</u>	\$	\$	\$
<u>USA/CANADA</u>	\$	\$	\$
<u>Other</u> (please specify countries - use separate sheet if necessary)	\$	\$	\$

12. a) Have the Firm(s) sustained any loss through the fraud or dishonesty of any person? YES NO
- b) Do the Firm(s) know of any fraud or dishonesty at any time of any past or present Partner, Director or Employees YES NO
- If "YES", please give details and state the precautions taken to prevent a recurrence _____
- c) Do the Firm(s) always require satisfactory references when engaging senior employees? YES NO
- d) Is any Employee allowed to sign cheques with his signature alone? YES NO
- If "YES", please describe circumstances and state limit _____
- _____
- _____
- e) How often are receipts, counterfoils, vouchers and supporting documents checked against the cash book entries and reconciled with Bank Statements including the balance of cash and unrepresented cheques, independently of Employees receiving or banking monies in respect of monies belonging to the Firm as well as in trust on behalf of others?
- _____

13. a) Has the Firm(s) ever held a Professional Indemnity policy? YES NO

 b) Is this policy current? YES NO

 If answer is "YES", please advise
 i) the expiry date of the current policy _____ (mm/dd/yy)
 ii) The Name of the Insurer _____
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14. a) What is the amount of Indemnity required? \$ _____
 b) What is the amount of the excess which you would be prepared to carry in respect of each claim? \$ _____
 (The Company requires a minimum excess depending on the size and type of work undertaken)
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15. Do you require any of the normal extensions available?
 a) Loss of documents YES NO
 b) Dishonesty of employees YES NO
 c) Libel and Slander YES NO
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16. Has any insurance of this nature made on behalf of the Firm(s) or their predecessors in business or any of the present Partners ever been cancelled or renewal refused? YES NO
 If "YES", please give full particulars _____
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17. To the best of your knowledge and belief have any claims ever been made against the Firm(s) or their predecessors in the business or any of the present or former Partners? YES NO
 If "YES", please give full particulars _____

 (It is important that a full answer is given to this question, i.e. year, amount and brief details of the nature of claims(s).)
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18. Are any of the partners, AFTER ENQUIRY, aware of any circumstances which may give rise to a claim against the Firm(s) or their predecessors in business or any of the present or former Partners? YES NO

 If "YES" please give full particulars _____

We must remind you that it is imperative to answer this question correctly. FAILURE TO DO SO COULD WELL PREJUDICE YOUR RIGHTS if subsequently a claim should arise.

IMPORTANT NOTICE CONCERNING DISCLOSURE

It is your duty to disclose all material facts to the Company.

A material fact is one that is likely to influence an Underwriter's judgment and acceptance of your Proposal. If your Proposal is a renewal of an existing policy, it should also include any change in facts previously advised to the Underwriters. If you are in any doubt as to whether or not facts are considered material, you should disclose them.

DECLARATION

I/We wish to effect insurance with Guardian General Insurance Limited on the Terms Conditions and Exclusions of the Policy to be issued by the Company. I/We warrant that the statements and particulars given by me/us in this Proposal are to the best of my/our knowledge and belief true and complete and no material fact has been misrepresented mis-stated suppressed or withheld. I/We agree that this Proposal and Declaration and any supplementary information sheet(s) attached hereto shall form the basis of the contract between me/us and Guardian General Insurance Limited and shall be deemed as incorporated in the Policy issued.

Name of Firm: _____

* Signature of Partner or Director: _____
If Company, Please Affix Company Stamp

Date: _____
mm/dd/yy

* This Proposal Form and any supplementary information sheet(s) must be signed in ink by a Partner or Director. Signing the Form does not bind the Firm or the Company to complete the Insurance.