

PROFESSIONAL INDEMNITY INSURANCE PROPOSAL

Please read this carefully before completing the Proposal.

Your duty of disclosure

Before you enter into a contract of general insurance with an insurer, you have a duty at law, Insurance Law Reform Act 1977 and 1985 to disclose to the insurer every matter that you know, or could reasonably expect to know is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of General Insurance.

Your duty however does not require disclosure of matter:

- that diminishes the risk to be undertaken by the insurer;
- that is common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know;
- as to which compliance with your duty is waived by the insurer.

Non-disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce his liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Average (underinsurance) Provisions:

As Reinstatement and Replacement Cover may be included in this policy, it is important to insure for full Replacement Cost to avoid application of the following provision.

The provision of the average clause will have effect only if the property insured under the policy is underinsured at the time of loss.

If the property insured under the policy is underinsured at the time of loss, the following will apply:

- if you suffer total loss, the provision will have no effect.
- if you suffer a partial loss, the maximum amount you may recover will bear the same proportion to your actual loss as the amount for which the property insured bears the full value of the property.
- whatever your loss, in no case will you be entitled to recover more than the amount for which the property is insured.

For Example: Your property is worth \$20,000. You insure it for \$10,000. You suffer a loss of \$5,000. If your policy is subject to average, the maximum amount you may recover will be \$2,500.

Rights of subrogation

This Insurance provides that you will not be able to recover under it if you enter into any agreement, which excludes or limits your right of recovery from other parties; therefore you must not have agreed and must not agree to give away any of your rights because that will affect the subscribing Underwriters right to recover from these other parties.

Interests of other parties:

For any party to be indemnified by this insurance they must be named in the contract or otherwise be included as a party with a proven insurable interest.

Excess/Deductibles

Excess or a Deductible is the first amount of each claim you are required to bear yourself, may not apply to each Part. Details of the Excess (es) applicable will be shown on the Schedule against the particular Section or Part.

Claims

The Insurance proposed on this Proposal Form does not provide cover in relation to events that occurred before the contract was entered into.

Acceptance of the Proposal

The Insurance proposed on this Proposal will not be in force until the completed Proposal has been received and the risk accepted by the Insurer. The subscribing Underwriters reserve the right to decline any Proposal.

Cancellation by You

You may cancel this Policy at any time by notifying WESTERN PACIFIC INSURANCE LIMITED (WPIL) in writing and advising WPIL of the future date on which cancellation will take effect.

The Premium retained by WPIL will not be less than the minimum premium.

WESTERN PACIFIC INSURANCE LIMITED

Head Office: Cnr Camp & Shotover Streets, PO Box 1935, Queenstown, 9300 New Zealand

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PERSONAL HISTORY

To be completed by you the 'Proposed Insured'

Proposed Insured

"You, your and yours" where used in this Proposal means the Proposed Insured and, If more than one, each of them

Please print your answers

Your Previous Insurance History. These questions apply to you either alone or jointly with any other party or, if you are a corporation, the corporation or any of its directors.

1. Has any insurer declined an application from You, or cancelled or refused to renew a policy of Yours, required special terms to insure You, or declined or refused a claim?	Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Have you sustained any loss or damage to property in the last 5 year?	Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Have you had any claim made against you for property damage or personal injury in the last 5 Years?	Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Have You, or any person who will receive insurance protection under the proposed Policy, been charged with or convicted of, any criminal offences in the past 10 years?	Yes <input type="checkbox"/> No <input type="checkbox"/>
5. During the last two year have You or any other person to whom cover extends under this policy received any threats to life or property (private or business)?	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Are there any other relevant facts relating to the risk to be insured which You should disclose to Us, to enable a true assessment of Your insurance Application?	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Is any portion of the property to be insured in a state of disrepair or poor condition?	Yes <input type="checkbox"/> No <input type="checkbox"/>

If you answered Yes to any of the above please give details. Please attach full details on a separate sheet of paper if not sufficient space on this form:

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GENERAL INFORMATION

Period of Insurance	Date	Date	
<i>Insurance commences 4.00pm on</i>		<i>and ends 4.00pm on</i>	
The Insured (if you are not a company)			
The name of your company (including subsidiary companies)			
Trading Name			
Company License Number (where applicable)			
Address (postal)			
Number/Street			
Suburb			
Town			
Postal Code			
Contact numbers			
Telephone		Facsimile	
Website Address		E-mail	
Mobile phone		Other	
Business Operation			
Address of all Locations			
Situation 1		Situation 2	
Number/Street		Number/Street	
Suburb		Suburb	
Town		Town	
Postal Code		Postal Code	

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BUSINESS INFORMATION

Nature of Business/Profession: State fully the nature of your business/profession:

(Please furnish copies of any brochures, or other documentation which may assist the Underwriter in gaining a complete appreciation of your business/profession.)

Company Details:

When was the firm/company established?

If under 5 years, give details of the experience of the principals (CV's may be required)

Has the firm/company ever carried out work overseas?

Yes No

If 'Yes', please provide details

Amount of Gross Fees/Gross Sales

a) Last 12 months

\$

b) Previous 12 months

\$

c) Estimate next 12 months

\$

d) If part of the Gross Fees/Gross Sales Figures above relate to the sale of physical products please state what proportion and describe the products:

Professional/Industry Associations

a) Are you a member in good standing of a recognised professional/industry association? If so, please provide details (i.e. period of membership, etc):

Details of Principals and Staff

Names of Principals/Directors or Persons for whose acts cover is required	Age	Qualifications	When Qualified	How long practicing as Principal/Director
				(a) This Firm (b) Previous Firm

Personnel Numbers

a) Principals/Directors

b) Qualified Staff

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BUSINESS INFORMATION Continued

c) Staff, other than Typists and Office Juniors	
d) Typists and Office Juniors	
e) Temporary Staff (including Contractors)	
Are references obtained when engaging staff?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Have any personnel been dismissed for or as a result of dishonesty or incompetence?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Contractual Liability Exposure	
Do you have a standard form of contract or agreement which applies to the provision of professional or specialist services/advice?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes", please enclose copies of the contract/agreement.	
Please provide details of the five largest contracts entered into with Third Party Entities:	
Is it your practice to use your standard form on all occasions?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "No", please enclose copies of those contracts or agreements where your standard form has not been used or has been altered.	
Do you use any standard form of disclaimer or exclusion of liability, other than as disclosed under your standard form of contract/agreement?	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes", please supply copies of the same and detail the circumstances in which it is used.	
Potential Claims	
Are any of the Principals/Directors/Officers or Senior Employees after enquiry, aware of:	
a) Any circumstances which could give rise to a claim against the Insured, or	
b) Any accounts overdue for payment where there is reason to believe the client is dissatisfied with the professional services rendered	
	Yes <input type="checkbox"/> No <input type="checkbox"/>
If "Yes", please give full particulars:	
Indemnity Required and Excess	
Total amount of Indemnity required (inclusive of any extensions);	\$
Excess required (minimum \$1,000):	\$

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BUSINESS INFORMATION Continued

Policy Extensions	
Libel and Slander	Yes <input type="checkbox"/> No <input type="checkbox"/>
Dishonesty of Employees	Yes <input type="checkbox"/> No <input type="checkbox"/>
Loss of Documents	Yes <input type="checkbox"/> No <input type="checkbox"/>
Retroactive Liability (Date Required _____)	Yes <input type="checkbox"/> No <input type="checkbox"/>
One Full Reinstatement of Indemnity Limit	Yes <input type="checkbox"/> No <input type="checkbox"/>
Other:	

Privacy Act Statement

We are committed to protecting your privacy. We only use the personal information you provide to us to quote on and insure your risks. We only provide personal information to our underwriters and re-insurers (and their representatives) and those we appoint to assist us with claims under your policy. We will not trade, rent or sell your information.

If you don't provide us with complete information, we cannot properly quote for your insurance and we cannot insure you. Indeed, if we subsequently find that you failed to provide all relevant information it may be grounds on which we refuse a claim and/or deny the policy.

If you provide us with personal information about anyone else, we rely on you to have told them that you will provide their information to us, to whom we may provide it, the purposes for which we will use it and that they can access it. If the information is sensitive, we rely on you to have obtained their consent on these matters.

Your claims history is passed on to, and held by, Insurance Claims Register Ltd. This enables other insurers you deal with to access it, and prevents fraudulent claims.

Declaration and Acknowledgments

I/We declare and acknowledge as follows:

1. I/We have not suppressed, misrepresented or misstated any material information within my/our knowledge likely to affect the decision of Insurers as to my/our eligibility for insurance, and the answers given in this Proposal are truthful and frank in every respect.
2. Insurance cover will only arise upon the Insurer's acceptance of this Proposal as notified by the issue of an appropriate Policy Schedule and/or Policy Document.
3. Subject to the Insurance Law Reform Acts 1977 and 1985, if this Proposal is accepted by the Insurer, the Proposal and the Policy and the Policy Schedule which are issued shall constitute the entire agreement between the parties and shall supersede any prior representations or warranties.
4. The subscribing Underwriters will be relying on the information provided by me/us in the Proposal in deciding whether to provide cover, and if so, on what terms.
5. I/We have read and understood the notice concerning my/our duty of disclosure.
6. Where answers to questions contained on this Proposal are not in my handwriting they have been checked by me/us and I/we certify that they are in every respect, truthful and frank.
7. I/We will make the premises available for inspection by Western Pacific Insurance Ltd and/or their agent.
8. I acknowledge that all personal information collected by WPIL may be disclosed to other members of the insurance industry and Insurance Claims Register Ltd. Any personal information held by other members of the insurance industry and Insurance Claims Register Ltd may be disclosed to WPIL.

Signature: _____ Date: _____

For Policy Wordings please refer to our website www.westernpacins.com

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