# Professional Indemnity Proposal Form for Accountants & Auditors

This proposal is for a CLAIMS MADE policy

The policy will only respond to claims and/or circumstances, which are first made against the Insured and notified to the Insurer during the policy period. **The policy will not provide cover for**:-

* Events that occurred prior to the retroactive date of the policy.
* Claims made after the expiry of the policy period even though the Wrongful Act giving rise to the claim may have occurred during the policy period.
* Claims notified or arising out of facts or circumstances notified under any previous policy or noted on the current proposal form or any previous proposal form.
* Claims made, threatened or intimated prior to the commencement of the policy period.
* Facts or circumstances in your knowledge prior to the policy period, which you knew had the potential to give rise to a claim under the policy.

**DISCLOSURE**

You must disclose to the Insurer all information which is material to it in deciding whether to issue insurance cover to you, including any facts or conduct which might lead to a claim being made against you. Failing to do so could affect your rights to indemnity.

If you do not understand any part of this document, please contact your Broker BEFORE YOU SIGN IT.You will be bound by the answers, which are given, and by the information provided by you in this proposal form. It is in your interest to make sure that all information is correct and properly understood.

#### When in doubt disclose

**ATTACHMENTS**

Before you return this form, have you included the following (please indicate by ticking the boxes):

Company brochure/ additional information:

Claims information (if relevant):

**Please attach details where not enough space on the proposal**

## Details of Proposed Insured

1.1 Please provide the following details:-

|  |  |
| --- | --- |
| Insured / Practice Name(*Please attach details of all subsidiary companies)* |  |
| Postal address |  |
| Physical address |  |
| Contact Person |  |
| Tel No. |  | Fax No. |  |
| E-mail address |  | Website address |  |
| Co. Reg. No. |  | VAT Reg. No. |  |
| **POLICY HOLDER PROTECTION DATA (COMPULSORY)** |
| 1. Is the Insured’s annual Turnover or Asset Value LESS than R 2,000,000?

Yes [ ]  No [ ]  |
| 1. What is the Present Legal Constitution of the Insured Company?
 |
| Sole Practitioner € Partnership € Incorporated Co. € Limited Co. € Closed Corp. € |
| Date of commencement of Practice | As currently constituted |  |
| As initially established |  |

1.2 Are any branches of the Proposed Insured located outside of South Africa? Yes [ ]  No [ ]

If yes, please provide full details:

|  |
| --- |
|  |

1.3 Names and Qualifications of Principals / Partners / Directors / Members as applicable.

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Qualifications | Date Qualified | How long Principal in this Practice |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

1.4 Staff complement

Total Number of:

|  |  |  |  |
| --- | --- | --- | --- |
| Partners / Principals / Directors |  | All Other Staff |  |
| Professional Staff(Other than above) |  | Total |  |

|  |  |
| --- | --- |
| 1.5 Is the firm or any of the Directors / Partners connected or associated (financially or otherwise) with any other firm, Company or Organisation? | Yes [ ]  No [ ]  |

If yes, please provide full details:

|  |
| --- |
|  |

## Detailed Business Description:

Please provide full details of all activities involved in:

(if engaged in multiple disciplines, please provide a percentage split – total must add up to 100%)

|  |
| --- |
|  |
|  |
|  |

## Business conducted outside South Africa.

3.1 Do you or your firm do any business for your clients in any other countries? Yes [ ]  No [ ]

If yes, please provide full details:

|  |
| --- |
|  |

3.2 Do you or your firm do any business for your clients in the **North America** or any other countries / states governed by their laws? Yes [ ]  No [ ]

If Yes, please provide the following details:-

|  |  |
| --- | --- |
| a) What percentage of your fees are attributable to these activities?  |  |

b) Do you have physical offices in these areas? Yes [ ]  No [ ]

If yes:-

|  |  |
| --- | --- |
| i) Under who’s Management and Control are these offices? |  |
|  |

ii) Is there any foreign shareholding in these offices and if so what percentage?

|  |  |  |
| --- | --- | --- |
| Yes € / No €  | Percentage | % |

iii) Do you give any advice relating to the Laws of these Countries? Yes [ ]  No [ ]

(if yes provide full details)

|  |
| --- |
|  |

c) Does the company or any partner, Director, etc. own any assets in the North America?

Yes [ ]  No [ ]

(if yes provide full details)

|  |
| --- |
|  |

## Approximate percentage of estimated gross income accruing from various activities

|  |  |  |  |
| --- | --- | --- | --- |
| Activity | Percentage | Activity | Percentage |
| Auditing Fees | % | Accounting and Secretarial | % |
| Taxation only | % | Management Consultancy | % |
| Business Recovery / Rescue | % | Share Registration | % |
| Executors and Trusteeship | % | Voluntary Liquidations | % |
| Insolvencies, Compulsory Liquidations, Judicial Management & Receiverships | % | Deceased Estates | % |
| Sequestrations | % | Curatorships | % |
| Other Consultancy(Please provide full details) | % | Other Activities(Please Provide details | % |
| Total | 100% |

|  |
| --- |
|  |
|  |

## Please provide the following details where services are rendered through other companies (if any)

5.1 Details of companies

|  |  |  |  |
| --- | --- | --- | --- |
| Name of Company | Directors | Activities | Annual Income |
| of the Company | accruing to the Insured |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

5.2 Ownership

Details of any financial interest in any Company named above, of any person other than a nominee of the partners of the Insured:-

|  |
| --- |
|  |
|  |

5.3 Management and Control

1. Name of Partner responsible for activities of each company.

|  |
| --- |
|  |

2. Does any Company employ staff directly? Yes [ ]  No [ ]

3. Any functions of the Company exercised exclusively by partners / employees of the Insured?

|  |
| --- |
|  |

4. Clientele and contractual relationships.

Does any Company;-

|  |  |
| --- | --- |
| a) offer its services (directly or through the Insured) to persons who are NOT clients of the Insured? | Yes [ ]  No [ ]  |
| b) enter into direct contractual relationships with clients? | Yes [ ]  No [ ]  |

## Inter partnership arrangements

|  |  |
| --- | --- |
| 6.1 Do you have any inter-partnership arrangements with other Accountants, or firms of Accountants? | Yes [ ]  No [ ]  |
| 6.2 If yes, do these firms carry out work in the name of your firm or vice-versa?  | Yes [ ]  No [ ]  |
| 6.3 Do they have a similar professional indemnity policy and for what Limit of Indemnity? | Yes [ ]  No [ ]  | R  |
| 6.4 If they carry out work in your name, please submit a declaration from them that their partners are, after enquiry, not aware of any circumstances which may result in any claim being made in connection with work undertaken on your behalf. |

## Financial Controls

7.1 Is any employee allowed to sign a cheque on their signature alone and/or have access to internet banking passwords? Yes [ ]  No [ ]

If yes, please provide relevant person’s details:

|  |
| --- |
|  |
|  |

7.2 Over the past 5 years, have any of the entities to be insured sustained any loss through the fraud or dishonesty of any partner or employee? Yes [ ]  No [ ]

If Yes, please attach full details.

|  |  |
| --- | --- |
| 7.3 How often are entries in the Cash Book checked with the vouchers and reconciled with the Bank Statements? |  |

|  |  |
| --- | --- |
| 7.4 Who does the checking |  |

|  |  |
| --- | --- |
| 7.5 Apart from petty cash cheques, are all cheques made out in favour of ultimate suppliers? | Yes [ ]  No [ ]  |

## Claims experience

8.1 Have any claims ever been made against the proposed Insured / Partners / Directors / members or Employees for the type of cover for which you are now applying, whether in terms of this Proposal or any other Proposal / Policy for the same type of cover? Yes [ ]  No [ ]

If yes, please provide / attach full details:

|  |
| --- |
|  |
|  |

8.2 After enquiry, are any of the Proposed Insured / Partners / Directors / Members or Employees aware of any circumstances which would be covered under a policy of this type, that may result in any claims or any possible claims being made against them? Yes [ ]  No [ ]

If yes, please provide / attach full details:

|  |
| --- |
|  |
|  |

## Details of Insurance

9.1 Are you at present or have you in the past been insured for Professional Indemnity? Yes [ ]  No [ ]

If yes, please provide the following details and attach a copy of the Policy (please note the details of all policies if there is more than one in place):

|  |  |
| --- | --- |
| Name of Broker: |  |
| Name of Insurer: |  |
| Date cover expires/d: |  |
| Expiry of “Run-off” cover (if any): |  |
| Limit of Indemnity: |  |
| Deductible / Excess applicable: |  |
| Premium: |  |

9.2 For the type of Insurance now being proposed, has any Insurer ever :

a) declined a Proposal or renewal for this Practice or any Partner / Principal? Yes [ ]  No [ ]

b) required an increased premium or imposed special terms? Yes [ ]  No [ ]

c) cancelled an Insurance? Yes [ ]  No [ ]

If yes, please provide full details:

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| --- |
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|  |

9.3 Do you require cover in respect of any liability incurred but not discovered prior to the effecting of this insurance at a single premium to be negotiated (Retroactive cover)? Yes [ ]  No [ ]

## Fee income (as at the company’s financial year end)

|  |  |
| --- | --- |
| 10.1 What is the date of the Company’s financial year-end:  |  |

10.2 Please give the audited fees for the last 5 completed financial years (which must include contingency fees):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Year End | Fees |  | Year End | Fees |
|  | R |  |  | R |
|  | R |  |  | R |
|  | R |  | Estimate for next 12 months | R |

## Quotations required

Kindly advise what limits you would like terms for:-

|  |  |  |
| --- | --- | --- |
| **Limit any one Period of Insurance.** |  | **Deductibles** |
| R |  | R |
| R |  | R |
| R |  | R |

(Note: Limit any one period of insurance is inclusive of costs and expenses)

## Declaration:

* I/we declare that after proper enquiry the statements and particulars given above are true and that I/we have not miss-stated or suppressed any material fact.
* I/we agree that this Proposal Form, together with any other material information supplied by me/us shall form the basis of any contract of insurance effected thereon.
* I/we undertake to inform Insurers of any material alteration to these facts occurring before the completion of the contract.

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Signed on behalf of Insured |  | Full name |
|  |  |  |
| Position held at Insured  |  | Date |

**PROTECTION OF PERSONAL INFORMATION ACT**

We understand that the information provided in this application for insurance and all documentation provided with it may be deemed to be personal information in terms of the Protection of Personal Information Act 2013 (the POPI Act) and we will accordingly take all reasonable steps to ensure that your information is processed / used / stored in accordance with the POPI Act and for the following purposes:

• To verify the information disclosed herein against any other source;

• To communicate with you directly should you request us to and in accordance with relevant regulatory requirements;

• To compile non-personal statistical information to assist in assessing similar risks;

• To assess the risk to be underwritten and, if a Policy of Insurance is issued pursuant to and based upon such information, to use the disclosed information at claims stage to assess any claims that may be made against any such Insurances;

• To transmit your personal information to any affiliate, subsidiary, service provider/consultant/advisor or re-insurer so that we can provide insurance services to you and to enable us to further our legitimate interests including statistical analysis, reinsurance and credit control;

• To combat insurance fraud and properly evaluate risks, we will store your personal information on a shared database created by the South African Insurance Association (SAIA) in order to verify it against available sources and databases on the system.

Personal Information of Minors (Complete if Applicable)

If any information provided herein relates to a Minor (i.e. a child under the age of 18) we require that a competent person (parent/legal guardian) provide consent to the processing of such information for the above purposes and for any purpose that is compatible therewith.

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (full name of competent person), hereby provide my consent to the processing of any information provided herein relating to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name of minor whose personal information is disclosed herein) for the purpose as disclosed above. I further understand that I have the right to withdraw this consent at any time but that this may mean that any insurance issued pursuant to this application may be terminated and/or that any claims issued against such insurance may not be able to be finalised

Further disclosures

Please note that there may be instances where we will be required to transfer your personal information outside South African borders, generally for purposes of furthering the Insurer’s legitimate interests regarding reinsurance or for the processing of any claim that arises outside South African borders. However, before transferring your personal information, we will ensure that the entity to whom the information is being transferred is subject to similar data protection conditions as those imposed by the POPI Act failing which we will advise you accordingly and request your consent to transfer information as required.

Note that the provision of the information required/requested herein is mandatory as it is necessary for us to accurately underwrite the insurances, which you are hereby applying for, and if any information is withheld or is misrepresented the Insurer may be entitled to void any insurances issued pursuant to this application.

Although any insurance issued pursuant to this application will be reviewed annually (where appropriate) it is your responsibility to ensure that the information provided to the Insurer remains accurate and up to date, we therefore encourage you to contact us at any time to advise us of changes to the information provided.

In addition, you may contact us at any time to exercise the following rights that you have in terms of the POPI Act (subject to any regulatory obligations placed on us/Santam Ltd):

- To request that we provide you with access to your personal information held/processed by us;

- To request that we erase or correct the your personal information that we hold (where appropriate/possible);

- To request that we transfer any personal information held by us to you or to any other person/system selected by you in a structured, commonly used and machine-readable format;

- To request that we restrict the processing of your personal information for reasons provided for in the POPI Act.

Should you wish to lodge a complaint regarding our compliance with the POPI Act or in respect of the processing of your personal information, please contact the Santam Client Care department (contact details below):

Email: complaints@santam.co.za

Telephone: 0860 102 725

Fax: (021) 915 7434

Alternately, you also have the right to approach the South African Information Regulator (contact details below) should the above process not adequately address your concerns.

Email: complaints.IR@justice.gov.za

Postal address:

 PO Box 31533

 Braamfontein

Johannesburg

 2017

Physical address:

 JD House

27 Stiemens Street

 Braamfontein

 Johannesburg

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