Proposal Form

Real Estate Agents Professional Indemnity Insurance

Important Notice

Signed Proposal Form is Required
It is a condition of this policy that the Insured shall provide to AIG Australia Limited a signed and dated hard copy of this proposal form within 14 days of the policy commencing. AIG Australia Limited will not be liable to make any payment under this policy unless it receives the signed and dated proposal form within the said 14 days. In the event of the Insured not providing a signed copy of the proposal form as provided in this clause AIG Australia Limited may cancel the policy in accordance with Section 60 of the Insurance Contracts Act.

Claims-Made and Notified Insurance
This policy is issued by AIG Australia Limited on a claims-made and notified basis. This means that the policy only covers Claims (as defined) first made against you during the Policy Period (as defined) and notified to the insurer in writing during the Policy Period. The policy does not provide cover for any Claims made against you during the Policy Period if at any time prior to the commencement of the Policy Period you became aware of facts which might give rise to those Claims being made against you.

Section 40(3) of the Insurance Contracts Act 1984 provides that where you give notice in writing to the insurer of facts that might give rise to a Claim against you as soon as is reasonably practicable after you become aware of those facts but during the Policy Period, the insurer cannot refuse to pay a Claim which arises out of those facts, when made, because it is made after the Policy Period has expired.

To the extent that the Continuity Condition set out in this policy does not apply, this policy does not cover Claims arising out of, based upon, attributable to or anyway connected with any:

(a) actual or alleged facts that might give rise to a Claim which were known to the Insured prior to the commencement of the Policy Period;

(b) actual or alleged facts which were notified or which can be notified under any policy in force prior to the commencement of the Policy Period;

(c) pending or prior litigation, or litigation derived from the same or essentially the same facts as might be alleged in such pending or prior litigation, as at the commencement of the Policy Period.

For the purposes of this Exclusion the term litigation includes but is not limited to any civil, criminal, administrative or regulatory proceeding as well as any official investigation, examination, inquiry, arbitration or adjudication.
Your Duty of Disclosure
Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about.

If you do not tell us something
If you do not tell us anything you are required to, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.
Details of the Proposer

1. (a) Name of the Insured ______________________________________________________
(b) Trading Name ____________________________________________________________
(c) Insured’s ABN ____________________________________________________________
   What percentage of the policy premium will be claimed as an input tax credit? __________
(d) Insured’s Dun & Bradstreet number:__________________________________________
(e) Address of the Insured
   Street Address: ____________________________________________________________
   Suburb:  _________________________________________________________________
   State:  _________________________________________________________________
   Postcode: ________________________________________________________________
(f) Email Address:____________________________________________________________

2. Are any of the directors/partners of the Insured a current paid-up member of any of the state Real Estate Institutes or the Real Estate Institute of Australia? Yes / No

3. Are any of the directors/partners of the Insured currently licensed as a real estate agent? Yes / No

Details of the Business

4. Please state Current Staff Numbers of the Insured as follows:
   (a) Directors/Partners _________
   (b) Employees _________ (include full-time, part-time and casual)
   (c) Total Current Staff _________
5. Please state the amount of Gross Income earned by the Insured in the last 12 months from the following activities:

   (a) Real Estate Sales  
       (For Buyer/Seller/Residential/Commercial/Industrial)  $____________________
   
   (b) Property or Strata Title Management – Residential  $____________________
   
   (c) Property or Strata Title Management – Industrial/Commercial  $____________________
   
   (d) Community Managing Agent  $____________________
   
   (e) Stock and Station Agent  $____________________
   
   (f) Land and Livestock Auctioneer  $____________________
   
   (g) Total:  $____________________

Please Note That This Policy Only Provides Cover For The Activities Referred To Above. It Does NOT Provide Cover For Any Other Activities Including But Not Limited To Property Valuation, Business Broking, Insurance Agency, Mortgage Or Finance Broking/Origination.

6. Is greater than 20% of the Gross Income declared in 5 (a) above derived from "off-the-plan" real estate sales?  Yes / No

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**Claims Information**

Please note that this policy does NOT cover known or prior claims or circumstances. Please see the Important Notice at the front of this proposal form for more information.

7. Has any claim been made against the Insured or any of its directors, officers, partners, or employees during the last 5 years which has exceeded or could potentially exceed $50,000 in total, including amounts for any damages, settlements, claimant’s costs or defence costs?  Yes / No

   If “Yes”, please provide full details including the nature of the allegations, date of claim and any amounts paid out including damages, settlements, claimant’s costs and defence costs.

8. Has the Insured or any of its directors/partners or employees ever been the subject of a disciplinary inquiry, proceeding or investigation alleging professional misconduct?  Yes / No

   If “Yes”, please provide full details including dates, the nature of the allegations, and any amounts paid for defence costs or any fines or penalties imposed.

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**Risk Management Procedures**

9. Do the directors/partners and qualified employees of the Insured regularly attend continuing education programmes conducted by the Real Estate Institutes or similar organisations?  Yes / No
10. (a) Does the Insured provide Property Management and/or Strata Title Management services? Yes / No

   If “Yes”,

   (b) Does the Insured use the standard Property Management and/or Strata Title Management agreements as recommended by the Real Estate Institutes or the Society of Auctioneers and Appraisers (SA) Inc? Yes / No

   (c) Does the Insured maintain a Complaints/Repairs Register to record all reports it receives about problems with the properties the Insured is managing? Yes / No

Details of Insurance

11. As at today’s date, does the Insured have Professional Indemnity Insurance in force which has been paid for? Yes / No

12. (a) Is this a proposal to renew an existing AIG Real Estate Agents Professional Indemnity Insurance Policy? Yes / No

   (b) If “Yes”, on what date did you first purchase this insurance from AIG? _____ / _____ / _____

   (c) What is the Insured’s existing AIG policy number? _____________

13. (a) Is there a specific date upon which you want this policy to commence? Yes / No

   (b) If “Yes”, on what date? _____ / _____ / _____

14. What Limit of Liability do you require?

   □ $1,000,000 □ $2,000,000 □ $4,000,000 □ $5,000,000

Stamp Duty Split

15. For the purpose of calculating Stamp Duty please state the number of current staff (including directors/partners, full-time, part-time and casual employees) located in each State.

<table>
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<tr>
<th>NSW</th>
<th>VIC</th>
<th>QLD</th>
<th>SA</th>
<th>WA</th>
<th>TAS</th>
<th>ACT</th>
<th>NT</th>
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Once you have completed the questions above please sign and date the proposal at the declaration below. Signing this proposal does not bind the proposer or the Insurer to complete this Insurance.
Declaration

We declare that we have made all necessary enquiries into the accuracy of the responses given in this proposal and confirm that the statements and particulars given in this proposal are true and complete and that no material facts have been omitted, misstated or suppressed. We agree that should any of the information given by us alter between the date of this proposal and the commencement of the insurance to which this proposal relates, we will give immediate notice thereof to the insurer.

We acknowledge receipt of the “Important Notice” contained in this proposal and that we have read and understood the content of that notice.

I confirm that I am authorised by the Insured to complete, sign and submit this proposal on behalf of the Insured.

Name: ________________________________________________
Title: ________________________________________________
Signature: ________________________________________________
Date: ________________________________________________