

**BusinessGuard<sup>®</sup>**

*Real Estate Agents  
Professional Liability Insurance  
Proposal Form*

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# AIG Australia Proposal Form

American Home Assurance Company ABN 67 007 483 267 AFSL No 230903 incorporated with limited liability in the USA, trading as AIG Australia, is a member company of American International Group, Inc. (AIG).

**Sydney:** Head Office: Citigroup Centre, Level 19, 2 Park Street, NSW 2000 (02) 9240 1711  
**Melbourne:** 549 St. Kilda Road, VIC 3004 (03) 9522 4000  
**Brisbane:** 10 Eagle Street, QLD 4000 (07) 3220 0700  
**Perth:** 77 St. George's Terrace, WA 6000 (08) 9421 3300

## Important Notice

### Claims-Made and Notified Insurance

This policy is issued by American Home Assurance Company 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.

This policy contains a "Prior Claims/Circumstances" Exclusion for loss in connection with any claim:

- made prior to or pending at the inception of this policy; or
- arising out of, based upon or attributable to any circumstance that, as of the inception of this policy, may reasonably have been expected by any Insured to give rise to a Claim.

This policy does not provide cover for Claims arising from any Wrongful Acts which take place before the Retroactive Date.

### Your Duty of Disclosure

Section 21 of the Insurance Contracts Act 1984 provides that before you enter into a contract of general insurance with an insurer, you have a duty to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, upon 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. However, your duty of disclosure does not require you to disclose matters:

- that diminish the risk to be undertaken by the insurer;
- that are of common knowledge;
- that your insurer knows, or in the ordinary course of its business,

ought to know;

- as to which compliance with your duty of disclosure is waived by the insurer.

Your duty of disclosure continues after the proposal form has been completed up until the Policy Period commences.

### Consequences of Non-Disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its 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.

### Subrogation

This policy contains provisions which have the effect of excluding or limiting the insurer's liability in respect of a loss where you have prejudiced the insurer's rights of subrogation where you are a party to an agreement which excludes or limits insurer's rights to recover the loss from another party. You are hereby notified of the effect of these provisions.

### Privacy Consent and Disclosure

AIG Australia is a wholly owned subsidiary of the American International Group (AIG). AIG Australia has adopted the National Privacy Principles. The National Privacy Principles apply to any personal information collected by AIG Australia.

### Purpose of Collection

AIG Australia collects information necessary to underwrite and administer your insurance cover, to maintain and to improve customer service. You have a duty under the Insurance Contracts Act 1984 to disclose certain information. Failure to comply with your Duty of Disclosure or to provide certain information may result in AIG Australia either declining cover, cancelling your insurance cover or reducing the level of cover.

In the course of administering your Policy we may disclose your information to:

- another member of the AIG group of companies either in Australia or overseas;
- contractors or third party providers providing services related to the administration and sale of your Policy;
- banks and financial institutions for the purpose of processing your application and obtaining policy payments;
- in the event of a claim, assessors,

third party administrators, emergency providers, and medical providers.

We will only disclose your personal information to these parties for the primary purpose for which it was collected. In some circumstances AIG Australia is entitled to disclose your personal information to third parties without your authorisation such as law enforcement agencies or government authorities.

### Access To Your Information

You may gain access to your personal information by submitting a written request to AIG Australia.

In some circumstances, AIG Australia may not permit access to your personal information. Circumstances where access may be denied include where it would compromise the privacy of other individuals, or where it would be unlawful.

AIG Australia has also established an internal dispute resolution process for handling customer complaints and an access and correction procedure. Both procedures are generally free of charge however we reserve the right to charge for access requests in limited circumstances.

If you feel you have a complaint about AIG Australia's Information Privacy Principles, require assistance in lodging a privacy complaint or you wish to gain access to the information, you may write to The Privacy Manager, AIG Australia, 549 St Kilda Road, Melbourne, or e-mail

[australia.privacy.manager@aig.com](mailto:australia.privacy.manager@aig.com) Your complaint will be reviewed and you will be provided with a written response. If it cannot be resolved, your complaint will be referred to AIG Australia's Internal Disputes Resolution Committee who will respond within 15 working days. In either case the matter will be reviewed by a person or persons with appropriate authority to deal with the complaint. Should your complaint not be resolved by AIG Australia's internal dispute resolution process, you may take your complaint to the Privacy Commissioner for review of the determination.

## Details of Proposer

1. a) Firm Name \_\_\_\_\_
- b) Trading Name \_\_\_\_\_
- c) ABN \_\_\_\_\_
- d) Contact Person \_\_\_\_\_
- e) Dun and Bradstreet Number \_\_\_\_\_
- f) If you intend to claim an Input Tax Credit for the premium paid for this policy, please specify the percentage of the premium you will be claiming: \_\_\_\_\_ %

Firm's main office

Street Address \_\_\_\_\_

Suburb \_\_\_\_\_ State \_\_\_\_\_ Postcode \_\_\_\_\_

Telephone \_\_\_\_\_ Facsimile \_\_\_\_\_

Website \_\_\_\_\_ Email Address \_\_\_\_\_

2. Are any of the directors/partners of the Firm a **current paid-up** member of any of the state Real Estate Institutes or the Real Estate Institute of Australia?  Y  N
3. Are any of the directors/partners of the Firm **currently** licensed as a real estate agent?  Y  N

## 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 & casual)
- Total** \_\_\_\_\_

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	\$
	<b>Total</b>	\$

**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 above derived from "off-the-plan" real estate sales?  Y  N

### 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?  Y  N

*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. After enquiry of the Partners/Principals/Directors and employees is the Firm aware of any circumstance or incident which may give rise to a claim against the Firm or it's Partners/Principals/Directors or employees?  Y  N

*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.*

### 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?  Y  N

10. a) Does the Insured provide Property Management and/or Strata Title Management services?  Y  N

*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?  Y  N

- c) Does the Insured maintain a Complaints/Repairs Register to record all reports it receives about problems with the properties the Insured is managing?  Y  N

## Details of Insurance

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11. As at today's date, does the Firm have professional indemnity insurance in force which has been paid for?  Y  N
12. a) Is this a proposal to renew an existing **AIG** Real Estate Agents Professional Indemnity Insurance Policy?  Y  N  
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?  Y  N  
b) If "Yes", on what date? / /
14. What limit(s) of liability do you require quotations for?  
 \$1 million  \$2 million  \$3 million  
 \$4 million  \$5 million  
 Other \_\_\_\_\_

## Optional Extension for Employment Practices Liability

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15. a) Would you like a quotation for Employment Practices Liability coverage?  Y  N  
b) If 'Yes' has any Claim arising from employment practices liability ever been made against the Insured or, after enquiry of the Partners/Principals/Directors, is the Firm aware of any circumstances which may give rise to a Claim against the Firm or any its Partners/Principals/Directors or employees?  Y  N

*If "Yes", please supply the relevant details and advise what precautions have been taken to prevent a recurrence (use a separate sheet of your letter headed paper if insufficient room below).*

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## *Declaration*

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Please Note: Signing the Declaration does not bind the proposer or the Insurer to complete this insurance.

I declare that I have made all necessary inquiries 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. I agree that should any of the information given by me alter between the date of this proposal and the inception date of the insurance to which this proposal relates, I will give immediate notice thereof to the insurer.

I acknowledge receipt of the Important Notice and Privacy Consent and Disclosure information contained in this proposal and that I have read and understood the content of them.

I confirm that I am authorised by the proposing Firm (and its partners/principals/directors if applicable) to complete this proposal form and to accept the quotation terms for this insurance on behalf of the Firm (and its partners/principals/directors if applicable).

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_