



## FINANCE BROKERS, MORTGAGE ORIGINATORS AND MORTGAGE BROKERS PROPOSAL FORM

- Answer all questions, Blanks &/or dashes, or answers 'known to underwriters or brokers' or 'N/A' are not acceptable & will delay consideration of this proposal.
- If there is insufficient room to complete a question, please attach a signed & dated addendum.
- Any documents attached to the proposal form are part of this proposal.
- Where appropriate, please tick the yes or no box which best indicates your reply.

### Your Details

**Name**

1. Full legal name of each natural person & incorporated body to be insured as well as any unincorporated business or trading names. (a) Date(s) of Commencement

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(b) Are you registered for GST purposes? No  Yes  ▶ What is your ABN? 

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2. Address

Principal Address:

Telephone / Mobile	Email Address	Website Address
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>

3. Principals' previous business (incoming): Trading name of any prior professional business practice conducted by a Principal. Date name changed / practice ceased


4. Particulars of all Principals

Name of Principal	Qualifications	Years Practising as Principal	
		Current Business	Previous Business

5. Total number of:

(a) Qualified staff / technical staff – including Principals	
(b) Non-technical staff ( <i>including administration, receptionists, etc.</i> )	
<b>Total</b>	

6. Are you a member of:

(a) FBAA	No	<input type="checkbox"/>	Yes	<input type="checkbox"/>
(b) MFAA	No	<input type="checkbox"/>	Yes	<input type="checkbox"/>
(c) COSL	No	<input type="checkbox"/>	Yes	<input type="checkbox"/>

(d) Any other Professional Association or EDR Scheme? No  Yes  ▶ Please specify below

## Your Professional Activities and Fee Income

7. (a) Please provide a breakdown of your gross professional fees/income as follows:

Fees/Income earned from	Last 12 months	Next 12 months
(a) Mortgage origination*	\$	\$
(b) Mortgage broking**	\$	\$
(c) Mortgage management***	\$	\$
(d) Finance broking	\$	\$
(e) Compliance services (aggregator)	\$	\$
(f) Referral services in respect of Mortgage Protection Insurance (referral to AMP Life Ltd only accepted) Other****. Please provide full details below if cover is required under this Policy.	\$	\$
<b>Total</b>	<b>\$</b>	<b>\$</b>

\*Mortgage origination means the Insured obtains, prepares and provides third parties such as banks and finance providers with applications from customers for financial products or services including necessary privacy consents, approvals and pre-approvals, the product and finalisation of all appropriate client documentation.

\*\*Mortgage broking means the Insured introduces borrowers to lenders but has no ongoing involvement with the loan

\*\*\*By Mortgage management we mean the Insured is responsible for the mortgage from the time it is provided by the funding institution until the borrower's payment of the final instalment of the loan.

\*\*\*\*Other (if more space is needed please provide separately)

(b) Please provide a percentage breakdown of the fee income disclosed in Question 7(a) by State or Territory

ACT	%	NSW	%	VIC	%	QLD	%	SA	%
WA	%	TAS	%	NT	%	Overseas	%	<b>Total 100%</b>	

8. Please provide a breakdown of the types of credit-contract services offered by your practice:

Loan Type	Percentage Split
(a) Residential	%
(b) Commercial	%
(c) Property Development	%
(d) Motor vehicle (leasing and hire purchase)	%
(e) Chattel, equipment and plant	%
(f) Line of credit (including mortgage draw-down facility)	%
(g) Personal	%
(h) Credit cards	%
(i) Other. Please provide full details below.	%
<b>Total</b>	<b>100%</b>

9. Please provide a breakdown of non-conforming loans to total loans, if any.

Loan Type	Percentage Split
(a) Low Document	%
(b) Deposit Impaired	%
(c) Credit Impaired	%
(d) Other. Please provide full details below.	%
<b>Total</b>	<b>100%</b>

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10. Please provide an estimate of credit-contract values arranged over the past 12 months:

Credit Contract Value	Number of Credit Contracts
(a) \$0 - \$500,000	
(b) \$500,001 - \$1,000,000	
(c) \$1,000,001 - \$2,000,000	
(d) > \$2,000,000 (not covered under the policy)	
<b>Total Number</b>	

11. Please provide a breakdown of the sources of finance used by your practice:

Source of Finance	Percentage Split
(a) Banks	%
(b) Non-Bank Financial Institution	%
(c) Solicitors funds/pooled mortgage investments (not covered under the policy)	%
(d) Other. Please provide full details below.	%
<b>Total</b>	<b>100%</b>

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12. Do you disclose commission received from financial institutions? No  Yes

13. Do you have the authority to approve or settle loans on behalf of Lenders? No  Yes

**Insurance History**

14. (a) Are you currently insured for professional indemnity?  
 No  Yes  ▶ Please complete the table below for the last 3 years.

(b) If you are not, have you ever been insured for professional indemnity?  
 No  Yes  ▶ Please complete the table below for the last 3 years you were insured.

Name of Insurer	Period Insured	Sum Insured	Excess

15. Have you ever had a liability insurer?  
 (a) Decline a proposal? No  Yes  ▶ Please provide details on your letterhead  
 (b) Impose special terms? No  Yes  ▶ Please provide details on your letterhead  
 (c) Decline to renew your policy? No  Yes  ▶ Please provide details on your letterhead  
 (d) Cancel your insurance? No  Yes  ▶ Please provide details on your letterhead

## Claim and Circumstances

16. Please answer the following questions after enquiry within your organisation (this includes both Professional Indemnity and Broadform Liability insurance policies).

- (a) During the past 10 years has any Claim been made, or has negligence been alleged, against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals), or have any circumstances which may give rise to a claim against any of these been notified to insurers?

No  Yes  ► Please give details.

Year Notified	Insurer	Claimant	Nature of Problem	Amount Paid &/or Outstanding

- (b) Are there any circumstances not already notified to insurers which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals)?

No  Yes  ► Please give details.

Name of Practice and Principal	Claimant	Nature of Problem	Estimate

- (c) Are there any Claims against previous practices which have been identified in Questions 3 or 4 of this Proposal, which may give rise to a Claim against any entity or individual to be insured by this insurance (including any prior corporate entity and any of the present or former Principals).

No  Yes  ► Please give details.

Name of Practice and Principal	Claimant	Nature of Problem	Amount Paid &/or Outstanding

- (d) Has any Principal or staff member ever been subject to disciplinary proceedings for professional misconduct?

No  Yes  ► Please give details.

Name of Practice and Principal/Staff Member	Claimant	Nature of Problem	Amount Paid &/or Outstanding

## Cover Required

17. (a) Amount of preferred Professional Indemnity Sum Insured.

\$

(b) Amount of preferred Excess. (N.B. Your policy will be subject to a minimum Excess)

\$

## Retroactive Cover

18. Do you require retroactive cover which may be subject to additional premium?

*Retroactive cover extends cover under the Policy to liability arising from work carried out prior to the inception of the Policy to which this Proposal relates. There will be no cover for Claims arising from a Known Circumstance as at Policy inception.*

No  Yes  ► Please state date from which retroactive cover is required:

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**Declaration**

I/We hereby declare that:  
My/Our attention has been drawn to the Important Notice accompanying this Proposal form and further I/we have read these notices carefully and acknowledge my/our understanding of their content by my/our signature/s below.  
The above statements are true, and I/we have not suppressed or mis-stated any facts and should any information given by me/us alter between the date of this Proposal form and the inception date of the insurance to which this Proposal relates I/we shall give immediately notice thereof.  
I/We authorize CGU Professional Risks, CGU Insurance Limited, to collect or disclose any personal information relating to this insurance to/from any other insurers or insurance reference service. Where I/we have provided information about another individual (for example, an employee, or client), I/we declare that the individual has been or will be made aware of that fact and the section in the Policy on "The way we handle your personal information".  
I/We also confirm that the undersigned is/are authorised to act for and on behalf of all persons who may be entitled to indemnity under any policy which may be issued pursuant to this Proposal form and I/we complete this Proposal form on their behalf.  
To be signed by the Chairman/President/Managing Partner/Managing Director/Principal of the association/partnership/company/practice/business.

Signature	Date	Signature	Date
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It is important the signatory/signatories to the Declaration is/are fully aware of the scope of this insurance so that all questions can be answered. If in doubt, please contact your insurance broker since non-disclosure may affect an Insured's right of recovery under the policy or lead to it being avoided.

**Insurance Broker's Details**

Broking Firm Name	<input type="text"/>		
Contact Name	<input type="text"/>		
Phone	<input type="text"/>	Fax	<input type="text"/>
Email	<input type="text"/>		

**CGU Professional Risks' Details**

<b>Adelaide</b> 80 Flinders Street Adelaide SA 5000 Tel (08) 8425 6650 Fax (08) 8425 6592	<b>Brisbane</b> 189 Grey St South Brisbane QLD 4101 Tel (07) 3135 1566 Fax (07) 3135 1564	<b>Melbourne</b> 181 William Street Melbourne VIC 3000 Tel (03) 9601 8700 Fax (03) 9602 5255
<b>Perth</b> 46 Colin Street West Perth WA 6005 Tel (08) 9254 3750 Fax (08) 9254 3751	<b>Sydney</b> 388 George Street Sydney NSW 2000 Tel (02) 8224 4655 Fax (02) 8224 4030	<b>Website:</b> <a href="http://www.cgu.com.au/professionalrisks">www.cgu.com.au/professionalrisks</a>



## An Important Notice to the Applicant for 'Claims Made' Contracts of Insurance

Please read and retain in your Professional Indemnity file.

The proposed insurance is issued on a 'claims made' basis.

This means that the policy responds to:

1. claims first made against the insured during the policy period and notified to CGU Professional Risks Insurance during that policy period, providing that the insured was not aware, at any time prior to the policy inception, of circumstances which would have alerted a reasonable person in the insured's position that a claim may be made against the insured; and
2. 'claims circumstances' notified pursuant to Section 40 (3) of the *Insurance Contracts Act* which states: *'where the insured gave notice in writing to the insurer of facts that might give rise to a claim against the insured as soon as was reasonably practicable after the insured became aware of those facts but before the insurance cover provided by the contract expired, the insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the period of insurance cover provided by the contract.'*

After policy expiry, no new claims can be made on the expired policy *even though the event giving rise to the claim may have occurred during the policy period.*

If during the policy period you become aware of circumstances which a reasonable person in your position would consider may give rise to a claim, and which you fail to notify to us during the policy period, we may not cover you under a subsequent policy for any claim which arises from these circumstances.

When completing the proposal you are obliged to report and provide full details of all circumstances of which you are aware and which a reasonable person in your position would consider may give rise to a claim.

It is important that you make proper disclosure (see **Duty of Disclosure**, below) so that your cover under any new policy with us is not compromised.

Pursuant to the *Insurance Contracts Act* your duty to disclose all relevant information is set out below

### **Duty of Disclosure**

Before entering into a contract of general insurance, you have a duty, under the *Insurance Contracts Act*, to disclose to us every matter that you are aware of, or could reasonably be expected to be aware of, that is relevant to our decision about insuring you and if so, on what terms. You have the same duty to disclose these matters to us 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 us;
- that is of common knowledge;
- that we know or, in the ordinary course of our business, ought to know;
- as to which compliance with your duty is waived by us.

You should note that your duty continues after the proposal form has been completed until the policy is entered into.

**Non-disclosure**

If you fail to comply with your duty of disclosure, we may be entitled to reduce our liability under the policy in respect of a claim or may cancel the policy. If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning. It is therefore vital that you enquire of all entities comprising the insured, including senior staff, before completing the proposal form and before you sign any declaration confirming no change in the information disclosed.

**Retroactive Liability**

The proposed insurance may be limited by a retroactive date either stated in the schedule or endorsed onto the policy. Where the retroactive cover provided by the proposed policy is subject to such a date, then the policy does not cover any claim arising from actual or alleged act, error, omission or conduct occurring prior to such retroactive date.

**Average Provision**

One of the insuring provisions of the proposed insurance may provide that where the amount required to dispose of a claim exceeds the limit of the sum insured in the policy then CGU Professional Risks Insurance shall be liable only for a proportion of the total costs and expenses. This shall be the same proportion of the total expenses as the policy limit bears to the total amount required to dispose of the claim.

**Surrender of Waiver of any Right of Contribution or Indemnity**

If another person or company is liable to compensate you or hold you harmless for part or all of any loss or damage otherwise covered by our policy, but you agree with that person or company (either before or after the inception of our policy) that you would not seek to recover any loss or damage from them, we will not cover you for this loss or damage.