



**Woodina**  
Underwriting Agency

## **Liability Insurance Proposal**

**For Information Technology Entities**

## **NOTICE TO INSURED**

**(Pursuant to the provisions of the Insurance Contracts Act 1984)**

### ***Your Duty of Disclosure***

Before you enter into a contract of general insurance with an insurer, you have a duty, under the *Insurance Contracts Act 1984*, to disclose to the insurer every matter which 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, on what terms. You have the same duty to disclose those matters to us before you renew, extend, vary or reinstate a contract of insurance.

Your duty however does not require disclosure of a matter:-

- that diminishes the risk to be undertaken by the insurer
- that is common knowledge
- that the insurer knows or, in the ordinary course of business as an insurer, 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 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.

### ***Claims Made Policy- Section 1***

Section 1 of this Policy is a claims made policy of insurance. This means that the Policy covers you for claims made against you and notified to the Insurer during the period of insurance. The Policy does not provide cover in relation to:

- events that occurred prior to the retroactive date, if any, specified in the Policy;
- claims notified or arising out of circumstances notified under any previous Policy (whether made or issued by the Insurer or any other insurer);
- claims made against you prior to commencement of the period of insurance;
- claims arising out of claims and circumstances noted on the proposal form for the current period of insurance or on any previous proposal form;
- subject to what is said in the next paragraph, claims made after expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance.

However, where you give notice in writing to the Insurer of facts that might give rise to a claim against you as soon as reasonable practicable after you become aware of those facts but before expiry of the period of insurance, the Policy will, subject to its terms and conditions, cover you notwithstanding that a claim is only made after expiry of the period of insurance.

### ***Average Provision***

The Insurer provides that if a payment in excess of the limit of indemnity available under the Policy has to be made to dispose of a claim, the liability of the Insurer for costs and expenses incurred with its consent shall be such proportion thereof as the amount of indemnity available under this Policy bears to the amount paid to dispose of the claim.

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

Where another person or company would be liable to compensate you or hold you harmless for part or all of any loss or damage otherwise covered by the policy, but you have agreed with that person either before or after inception of the Policy that you would not seek to recover any loss or damage from that person, you are not covered under the Policy for any such loss or damage unless the agreement of the Insurer is obtained beforehand.

Important Information: Please complete all questions fully. If there is insufficient space provided to answer please provide details on your letterhead.

**Section 1. Your Details**

1.1 Please provide the full legal name of all entities to be insured under the Policy:

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1.2 Trading Name:

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1.3 ABN: .....

1.4 Date Established: .....

1.5 Your Contact Details:

Address: .....

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Telephone Number: .....

Website: .....

1.6 Principals/ Partners / Directors

Name	Position Held	Qualification	Date Obtained	Years of Experience

1.7 Staff Details

Category	Staff Numbers
Principals/Partners/Directors	
Professional Qualified Staff (Not included in Partners/Principals)	
Other Technical Staff	
Non-Technical Staff and Administrative Staff	
Other Staff	
<b>Total</b>	

## Section 2. Your Business

General Business Questions:

- 2.1 Has the name of your business ever changed? Yes ☐ No ☐
- 2.2 Have you ever amalgamated or merged with another business? Yes ☐ No ☐
- 2.3 Have you purchased any other business or practice? Yes ☐ No ☐

If you have answered “Yes” to any of these questions please provide details:

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- 2.4 Does any partner, principal or director of the Insured detailed in answer to question 1 of this proposal have any connection or association (financially or otherwise) with any other business or practice? Yes ☐ No ☐

If “Yes” please provide full details:

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2.5 Please provide a description of your precise business activities:

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2.6 Please provide us with the approximate percentage of your income derived from the following activities

Activity	%	Activity	%
Application Service Provider		IT Recruitment and Placement Services	
Bureau Services		IT Security Systems and/or Consulting	
Data Communication Services		IT Strategic Planning Consulting	
Data Storage, Data Processing and Data Warehousing		LAN and WAN Providers	
E-Commerce Application Development		Multimedia Services	
ERP Application Sales, Implementation and Maintenance Services		Network Consulting Services	
Facilities Management, Co-location & Hosting Services		Network Design and Development and Installation	
Geographic Information Systems Consulting, Sales and Maintenance Services		SAP Application Sales, Implementation and Maintenance Services	
Hardware Maintenance Services		Search Engine Optimisation Services	
Hardware Installation and/or Repair		Shrink Wrap Sales	
Hardware Manufacture		Software Development, Design, Analysis, Programming, Testing and Sales	
Hardware Reselling		Software Maintenance Services	
Hosting Application Service Provider		Software Reselling	
Internet Security Provider		Systems Analysis	
Internet Service Provider		Systems Integration Services	
IT Consultancy Services		Telecommunication Services	
IT Contracting Services		Value Added Reselling	
IT Education and/or Training		Website Design and Development	
IT Help Desk and Support Services		Website Hosting Services	
IT Project Management		<b>Total</b>	100%

- 2.7 Which of the following best describes the Industries / Area in which the Insured's Customer's operate? Please indicate as a Percentage of Revenue

Industry	%	Industry	%
Oil & Gas		Emergency Services (Police, Fire, Ambulance)	
Transport (Road, Rail, Air & Sea)		Online Funds Transfer	
Process Control		Mass Transit/Transportation	
Broadcasting (Radio & TV)		Financial Stockbroking/ Banking/ Insurance	
Gaming		Government	
Mining		Legal	
Medical		Accounting	
Public Utilities (Power & Water)		Telecommunications Carriers	
Defence Forces, Aviation or Aerospace		Other (please specify):	
Nuclear		Total	100%

- 2.8 Do you provide services or products intended for use in the following areas?

- a) any Information Technology Products or Services provided to the Aviation industry that in any way impact the flight and/or navigation of any Aircraft: Yes ☐ No ☐
- b) any Information Technology Products or Services provided to the Defence industry that in any way impact any weapon or combat systems: Yes ☐ No ☐
- c) any Information Technology Products or Services provided to the Medical industry that in any way impact the diagnosis or treatment of any ailment, illness or disease: Yes ☐ No ☐
- d) Do you provide any non-Information Technology Products or Services: Yes ☐ No ☐

If you have answered "Yes" to any of questions in 2.7 above please provide full details:

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### ***Section 3. Contract Information***

3.1 Please provide the following information in relation to your contracts:

- a) What is the average contract size entered into? .....
- b) What is the average contract length entered into? .....
- c) What is the longest contract entered into? .....
- d) Approximately how many active customers do you have? .....

3.2 Does any single Client represent more than 20% of your total activities? Yes ☐ No ☐

3.3 Are you currently working on a project where the software development build length or systems integration length exceeds 18 months or \$1M in revenue? Yes ☐ No ☐

If the answer to question 3.3 is "Yes" please provide details of how you contract your services?

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3.4 Do you always use written contracts when performing your information technology business activities? Yes ☐ No ☐

If the answer to question 3.4 is "No" please provide details of how you contract your services?

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3.5 Have your standard contracts' terms and conditions been reviewed by a suitably qualified Lawyer? Yes ☐ No ☐

If the answer to question 3.5 is "No" please provide details of how you contract your services?

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- i. Advise the percentage of total contracts where you don't limit your liability? .....%
- ii. Provide details of the measures (if any) you have in place to limit your liability:  
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3.6 Please answer "Yes" or "No" to the following:

- a) Do you ever assume a Third Parties Liabilities under Contract? Yes ☐ No ☐
- b) Do your Contracts include a "Limitation of Liability" provision? Yes ☐ No ☐
- c) Do your Contracts include an "Exclusion for Liquidated Damages" provision?  
Yes ☐ No ☐
- d) Do your Contracts include an "Exclusion for Consequential Loss" provision?  
Yes ☐ No ☐
- e) Do your Contracts include a "Disclaimer of Warranty" provision? Yes ☐ No ☐
- f) Do your Contracts include an "Exclusive Remedy" provision? Yes ☐ No ☐
- g) Do your Contracts include a "Mediation or Arbitration" provision? Yes ☐ No ☐
- h) Do your Contracts include a "Change Control" provision? Yes ☐ No ☐

3.7 Do you engage sub-contractors? Yes ☐ No ☐

If "Yes":

- i. What percentage of your total work is performed by them? .....%
- ii. Do you insist they carry their own Professional Indemnity Insurance? Yes ☐ No ☐
- iii. Do you ensure that the sub-contractors limit of indemnity under their Professional Indemnity Insurance is the same Limit of indemnity that you carry under your Professional Indemnity Insurance policy?  
Yes ☐ No ☐

3.8 Do you ever agree to waive your rights of subrogation? Yes ☐ No ☐

3.9 Please provide details of the scope, size, duration and nature of the work undertaken from the largest three (3) contracts you have undertaken in the last three (3) years on the following page.



Contract 1:

Client	
Contract Value	
Contract Duration	
Nature of work undertaken	
Status (completed, ongoing)	

Contract 2:

Client	
Contract Value	
Contract Duration	
Nature of work undertaken	
Status (completed, ongoing)	

Contract 3:

Client	
Contract Value	
Contract Duration	
Nature of work undertaken	
Status (completed, ongoing)	

## ***Section 4. Your Risk Management Program***

4.1 Do you have a documented Risk Management program? Yes ☐ No ☐

If "Yes", when was the program implemented? .....

4.2 User Acceptance Testing and Customer Sign Off

- i. Do you agree a signed specification with Customers before the commencement of a project?  
Yes ☐ No ☐
- ii. Do you have a formal Customer Acceptance procedure?  
Yes ☐ No ☐
- iii. Do you require Customers to sign an Acceptance letter at the completion of an assignment?  
Yes ☐ No ☐

## ***Section 5. Your Financial Details***

### **5.1 Your Revenue**

<b>Country</b>	<b>Total Revenue for Last Financial Year</b>	<b>Estimated Revenue for the Current Financial Year</b>
Australia & New Zealand	\$	\$
USA / Canada	\$	\$
UK / Europe	\$	\$
Asia & Pacific	\$	\$
Other – Please Specify	\$	\$
<b>Total</b>	\$	\$

### **5.2 Stamp Duty Split:**

Please provide the percentage breakdown of your revenue by State or Territory.

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

## ***Section 6. Your Claims History***

- 6.1 After enquiry, have any claims for negligence or breach of professional duty been made against your business or practice or any of its predecessors in business or any prior business or practice or any of its present or former Partners, Principals or Directors or has any fact or circumstance been notified to the insurers that has the potential to give rise to such a claim? Yes ☐ No ☐

If “Yes”, please provide full details:

<b>Date Notified</b>	<b>Name of Claimant</b>	<b>Brief Description of Matter</b>	<b>Quantum</b>

- 6.2 After enquiry, are any of the partners, principals or directors aware of any fact or circumstance which has the potential to give rise to a claim against your business or practice or any business or practice of any of their present or former partners, principals or directors which is not referred to in question 6.1 above. Yes ☐ No ☐

If “Yes” answered for 6.2, please provide full details including:

Date First became aware of Matter	Name of Potential Claimant	Brief Description of Matter	Quantum

- 6.3. After enquiry has any contract or project work undertaken in the last 2 years experienced cost overruns, delays in implementation, failure systems and or products to meet full functionality? Yes ☐ No ☐

If “Yes” please provide details:

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- 6.4. After enquiry, has any client refused payment or requested a refund of monies paid? Yes ☐ No ☐

If “Yes” please provide details:

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- 6.5 Has any Partner, Principal, Director or staff member ever been subject to disciplinary proceedings for professional misconduct? Yes ☐ No ☐

If “Yes” please provide details:

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- 6.6 After enquiry, are any Partners, Principals, Directors or staff members Yes ☐ No ☐  
aware of any professional disciplinary proceedings or similar process  
connected to your business which they, or any other member may be  
required to attend?

If “Yes” please provide details:

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- 6.7 After enquiry, please advise whether you have ever caused injury or damage or had any Claims  
made against you for Personal Injury or Damage to Property as insured by this Policy?

If “Yes” please provide full details including:

Date Notified	Name of Claimant	Brief Description of Matter	Quantum

## ***Section 7. Your Insurance History***

- 7.1 Are you currently insured for Information Technology Liability Insurance? Yes ☐ No ☐

Name of Insurer: .....

Expiry Date: ...../...../.....

Limit of Indemnity:

Technology Insurance .....

General Liability .....

Premium: \$.....

- 7.2 Has the firm, any partner, principal or director ever been refused this Yes ☐ No ☐  
type of insurance, had special terms imposed, had a policy cancelled, or  
had an application for renewal declined?

If the answer to question 7.2 is “Yes” please provide details:

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7.3 Ever been convicted of or charged (but not yet tried) with a criminal offence other than a motoring offence? Yes ☐ No ☐

7.4 Ever been declared bankrupt whilst being a director of a company which went into liquidation, receivership or administration or ever been disqualified from being a director? Yes ☐ No ☐

## ***Section 8. Your Cover Application***

8.1 Limit of Indemnity Options:

a) Professional Indemnity

☐ \$1,000,000 ☐ \$2,000,000 ☐ \$5,000,000 ☐ \$10,000,000

b) Public and Products Liability

☐ \$5,000,000 ☐ \$10,000,000 ☐ \$20,000,000

## ***PRIVACY ACT CLAUSE***

Woodina Underwriting Agency Pty Ltd is committed to protecting the privacy of the personal information you provide us.

We need to collect the personal information on this form to consider your application for professional indemnity insurance and to determine the premium (if your application is accepted). This information will also be used if you lodge a claim under your policy. We may also need to request additional information from you in connection with your application.

If you do not provide us with the information in this form, or any additional information we request, we may not be able to process your application or offer you insurance cover.

We may disclose your personal information we collect on this form and any additional information that you provide us in connection with the application:

- i. To our relevant employees involved in delivering our services;
- ii. If your broker collects this form from you, to that broker;
- iii. To facilitators such as legal firms, professional experts such as accountants, actuaries, engineers and technology experts
- iv. To the Lloyd's Syndicate we represent (which is located in the United Kingdom)
- v. To insurance reference bureaus or credit reference bureaus
- vi. To reinsurers or reinsurance brokers (which may include reinsurers located outside of Australia)

We may also be required to provide your personal information to others for purposes of

- vii. public safety and law enforcement and
- viii. If required by law or by a law enforcement body to do so.

You may request access to your personal information, and where necessary, correct any errors in this information (some restrictions and costs may apply).

By completing and returning the proposal form and/or providing us with any additional information in connection with your application, you agree to us using and disclosing your information as set out above.

This consent to the use and disclosure of your personal information remains valid unless you alter or revoke it by giving us written notices.

If any of your personal information changes in the future, please notify us of these changes so we can ensure that the information we hold about you is accurate, complete and up to date.

## ***DECLARATION***

I/We declare and warrant that all the statements and particulars here given are true and that no information whatever has been withheld which might influence a prudent Insurer's judgement and the acceptance of this Proposal. Should the above Particulars alter in any way I/We will advise Insurers as soon as possible.

I/We understand that failure to disclose any material facts which would be likely to influence the acceptance and assessment of the Proposal may result in Insurers refusing to provide indemnity or voiding the policy in every respect.

I/We hereby agree that this Declaration shall be the basis of the contract between me/us and Insurers.

Name of Proposer .....

Signed by on behalf of all  
Partners/Directors/Principals .....

Date .....