

Details of Professional indemnity insurance

Applicant Name: _____

In completing this questionnaire, we recommend that you refer to ASIC [Regulatory Guide 126 – Compensation and Insurance Arrangements for AFS licensees](#), [section 912B](#) of the *Corporations Act* and [regulation 7.6.02AAA](#) of the Corporations Regulations. We also suggest consulting with your insurance broker or insurer for clarification.

Insured _____

Note: PI insurance must be held in the name of the natural person, body corporate, or partner(s) which has / have applied for the limited AFS licence.

Policy Number _____

Insurer _____

Period of coverage From ___ / ___ / _____ To ___ / ___ / _____

Amount of cover \$ _____

Excess/Deductible \$ _____

1 In completing this questionnaire, have you consulted with the applicant's insurance broker and/or insurer? Y N

2 Does the policy cover multiple entities? Y N

If **YES**: Provide details of the insured persons / entities and advise as to whether those insured persons / entities will provide financial services for which a limited AFS licence is required.

3 What is the estimated total gross revenue to be derived from the provision of financial services to be authorised under the limited AFS licence for the next financial year? \$ _____

4 How many reinstatements are allowed under the policy? _____

5 Does this policy cover the Applicant for claims made or losses relating to activities for which a limited AFS licence is not required (i.e. accountancy, taxation or audit services)? Y N

If **YES**: Provide an explanation of those other activities and the proportion of the limited AFS licensing activities compared to non AFS licensed activities.

6 Is the excess/deductible of the policy set at a level that the applicant can confidently sustain as an uninsured loss? Y N

- 7 Will the amount of cover be reduced by the costs and expenses incurred in investigating, defending and settling claims? Y N
- 8 Are all of the financial services and products to be offered under the limited AFS licence covered by the scope of this policy? Y N
- 9 Does the policy cover breaches of Chapter 7 of the Corporations Act (for example statutory breaches and breaches of the best interests duty) by the AFS licensee, its representatives or appointed Authorised Representatives? Y N
- 10 Does this policy cover external dispute resolution scheme awards? Y N
- 11 Does this policy cover fraud by directors, partners, agents, employees, authorised representatives and representatives? Y N
- 12 Does this policy have retroactive cover? Y N
- If **YES**: Provide the date to which the retroactive cover extended. _____
- 13 Does this policy have any of the following exclusions?
- 13.1 ASIC approved External Dispute Resolution Scheme awards? Y N
- 13.2 Loss caused by the conduct of representatives generally? Y N
- 13.3 Fraud and dishonesty by directors, partners, agents, employees, authorised representatives and representatives? Y N
- 13.4 Claims arising from incidents that have been notified to ASIC? Y N
- 14 Will the applicant require any additional financial resources, in addition to the PI insurance policy, to satisfy the compensation arrangements obligations under section 912B of the *Corporations Act*? Y N

I understand the obligation of a limited AFS licence holder to have in place adequate arrangements for compensating retail clients for loss or damage suffered by those persons because of breaches of the relevant obligations under Chapter 7 of the *Corporations Act* by the licensee or its representatives.

I declare that the professional indemnity policy details outlined above are true and accurate.

Signature of the applicant: _____

Print name: _____

Capacity (director, partner, individual): _____

Date of signing: _____
