

solution.

Design and Construction Professional Indemnity Addendum

Addendum



Important notice

- This Addendum (and any attachments) form part of the Proposal.
- Please answer all questions in full. Where appropriate, please tick the yes or no box that best indicates the Insured’s reply.
- If there is insufficient space, please provide further details on the Insured’s letterhead.

Insured details

Insured Name:

Please advise the Insured’s turnover and fees, and the average fees earned from design and professional services as a percentage of overall turnover and fees.

Please note that the term “full technical supervision” does not refer to supervision of construction, erection or installation.

| | Last financial year \$ | Current financial year (est) \$ | % of fees earned from design and professional services |
|---|------------------------|---------------------------------|--|
| a. Turnover where the Insured designs and constructs from their own design and provides full technical supervision | | | |
| b. Turnover where the Insured designs and constructs and provides full technical supervision from designs by subcontractors appointed by the Insured | | | |
| c. Fees earned where the Insured provides only design services and/or technical supervision (the Insured are not undertaking construction works) | | | |
| d. Turnover and/or fees earned (please indicate) where the Insured provides any other professional services not specified above - please provide details in box below | | | |
| e. Turnover where the Insured has work with no professional services (e.g. construction only activities) not covered by the Proposed policy - please provide details | | | |
| Total turnover | | | |
| Total fees | | | |

- | | | |
|---|-----|----|
| 1. Has any Partner/Principal/Director of the Insured ever been declared bankrupt or been a Partner/Principal/Director in a construction company which has gone into administration or become insolvent? | Yes | No |
| 2. For each of the last two years has the Insured: | | |
| a. Returned a trading profit? | Yes | No |
| b. Had a positive net cash flow from operating activities? | Yes | No |
| 3. Please provide number of professionally qualified staff: | | |
| 4. Please list the current professional associations the Insured belongs to: | | |

5. Have there been any substantial changes or have there been any contract types which the Insured has not undertaken before, and are anticipated in the next 12 months? Yes No

6. Where the Insured engages consultants/subcontractors to provide any Professional Services:

a. What Professional Services are typically subcontracted out?

b. Does the Insured enter into “back to back” contracts with the consultants/subcontractors they engage in respect of design engineering requirements/specifications they assume within head design and construction contracts? Yes No

c. Does the Insured insist that each consultant/subcontractor carries their own Professional Indemnity and General Liability insurance? Yes No

d. Does the Insured obtain and keep on file an up to date Certificate of Currency for each type of insurance mentioned above? Yes No

7. Has the Insured given consideration to potential insolvency or administration concerns? Yes No

Please provide details on what financial due diligence the Insured performs on consultants, subcontractors and suppliers:

8. How many current customers is the Insured undertaking contracts for?

9. Are all non-standard contracts (including those with clients, consultants, subcontractors and suppliers) legally reviewed prior to signing? Yes No

10. Are the scope of services to be performed always clearly set out in the contract or terms of engagement? Yes No

11. Does the Insured limit its liability in contracts with clients? Yes No

12. Does the Insured sign contracts where liability is accepted for consequential losses? Yes No

13. Does the Insured hold ISO or any third party accreditation for:

a. Occupational health and safety management systems Yes No

b. Quality management systems Yes No

c. Environmental management systems Yes No

14. Does the Insured have formal processes and procedures in place to identify and report incidents or facts which might give rise to a professional indemnity claim? Yes No

15. After enquiry of the Partners/Principals/Directors and employees, is the Insured or any Partner/Principal/Director aware of any current project or contract that is subject to:

a. Any material delay in progress or completion? Yes No

b. Any material cost overrun or adverse deviation from the project budget? Yes No

16. Please provide details of the Insured's own contract works/material damage & general liability policies:

| Insurer | Policy Number | Limit | Retention | Policy Period |
|---------|---------------|-------|-----------|---------------|
| | | | | |
| | | | | |
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| | | | | |

17. Are projects under procurement or construction reviewed at least quarterly for construction delays, supply chain failure, contractual remedies to ease effect of delays, increased funding needs, or reforecast revenue projections? Yes No

18. Do any projects under procurement or construction currently have unresolved claims for extensions or unexecuted change orders? Yes No

If **YES**, please provide details:

19. Is there a detailed business continuity plan and crisis management plan for each project? Yes No

If **NO**, please explain:

20. Is all fire safety system design, install and certification performed by specialist contractors (e.g. fire engineers)? Yes No

If **NO**, please explain:

21. Are fire safety systems always certified by on-site inspection? Yes No

If **NO**, please explain:

22. Is a comprehensive building manual always provided to building owners at project completion including as-built construction documentation, fire safety system details including fire safety system maintenance requirements, and names of all engaged building practitioners and certifiers? Yes No

If **NO**, please explain:

23. Please provide an approximate percentage breakdown of the Insured's turnover and fee income from design and other professional services in the following areas.

Please note: Total of percentages entered in a.-d. must add up to a total of 100% for all sections combined

a.

| Engineering disciplines | Percentage breakdown % |
|--|------------------------|
| Acoustic engineering | |
| Chemical engineering | |
| Civil engineering | |
| Drafting | |
| Electrical engineering | |
| - Process & control systems design | |
| Environmental engineering | |
| Geotechnical engineering | |
| Heating, ventilation, air conditioning engineering | |
| Hydraulic engineering | |
| Industrial engineering/design | |

b.

| Engineering disciplines | Percentage breakdown % |
|-----------------------------------|------------------------|
| Marine engineering | |
| Material engineering | |
| Mechanical engineering | |
| Mining engineering | |
| Plumbing engineering | |
| Project & construction management | |
| - Construction supervision | |
| Refrigeration engineering | |
| Structural engineering | |
| Expert witness | |
| Other (please specify) | |

c.

| Surveying/inspections disciplines | Percentage breakdown % |
|---|------------------------|
| Aerial, topographic, hydrographic | |
| Building surveying | |
| Geodynamic surveying | |
| Land surveying | |
| Quantity surveying | |
| Pre-purchase inspections | |
| Pest inspections | |
| Environmental investigation and audit | |
| Management and business consulting | |
| Occupational health and safety consulting | |
| Quality assurance consulting | |
| Risk and hazard assessments | |

d.

| Architectural disciplines | Percentage breakdown % |
|-----------------------------------|------------------------|
| Architecture | |
| Construction supervision | |
| Drafting | |
| Interior design | |
| Landscape architecture | |
| Project & construction management | |
| Town planning | |

Please indicate the percentage of the Insured's fee income derived from the following:

Please note: Total of percentages must add up to a total of 100%

| Fees earned from: | Percentage breakdown % |
|--|------------------------|
| Boundary surveys | |
| Bridges | |
| Dams | |
| Domestic building (excluding flats/units/town houses) | |
| Fair/exhibition /show ground structure | |
| Feasibility studies (where not involved in design/construction) | |
| Foundations/underpinning | |
| Harbours/jetties | |
| Heat/ventilation/air-conditioning | |
| High rise buildings (exceeding 3 floors and not otherwise specified) | |
| Industrial & commercial (less than \$1m) | |
| Industrial & commercial (greater than \$1m) | |
| Institutional buildings (ecclesiastical/health/municipal/educational, etc) | |
| Land reclamation | |
| Lifting equipment | |
| Low rise buildings (3 floors or less) | |

| Fees earned from: | Percentage breakdown % |
|--|-------------------------------|
| Marine surveys | |
| Mechanical plant/bulk handling equipment | |
| Mines | |
| Nathers energy rating | |
| Nuclear/atomic | |
| Others (please specify) | |
| Petro-chemical/refineries/fertilisers/ammonia plants | |
| Pipelines | |
| Roads | |
| Railway | |
| Sewerage systems | |
| Soil Testing/surveys of sub-surface condition | |
| Tunnels | |
| Water systems | |
| Total: | 100% |

Please provide details of the five largest contracts or projects undertaken by the Insured:

| Project description/contract | Fees/income \$ | Project value \$ | Date completed (dd/mm/yy) |
|-------------------------------------|-----------------------|-------------------------|----------------------------------|
| | | | / / |
| | | | / / |
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| | | | / / |

Further declaration to the proposal after inquiry

Signing this Addendum does not bind Solution or any insurer to enter into an insurance contract.

After making full and appropriate enquiries, I declare that:

- I am authorised on behalf of the prospective Insured(s) to complete this Addendum
- I have read and understood the Important Information section of the Proposal form
- Where I have provided information about another individual, I declare that the individual has been made aware of that fact and of the Solution Underwriting Agency Pty Ltd Privacy Statement
- I confirm that the statements and information in this Addendum are true and complete
- I understand all information requested in the Addendum is material
- I provide consent consistent with the Privacy Statement outlined in the Important Information section of the Proposal Form
- I understand that, until a contract of insurance is entered into, I am under a continuing obligation to immediately inform Solution Underwriting Agency Pty Ltd of any change to the information contained in this Addendum
- I acknowledge that, if a contract of insurance is entered into, the Proposal, this Addendum and any accompanying documents will form the basis of the contract

To be signed by the Insured for whom this insurance is intended for

Signature:

Name:

Position:

Date (DD/MM/YY)

solution.

Next Level
Underwriting™

Any queries, please contact us

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