



Professional Indemnity Proposal Form Accountants & Auditors

This proposal is for a
claims made policy

The policy will only respond to claims and/or circumstances, which are first made against the Insured and notified to the Insurer during the policy period. **The policy will not provide cover for:**

- Events that occurred prior to the retroactive date of the policy.
- Claims made after the expiry of the policy period even though the Wrongful Act giving rise to the claim may have occurred during the policy period.
- Claims notified or arising out of facts or circumstances notified under any previous policy or noted on the current proposal form or any previous proposal form.
- Claims made, threatened or intimated prior to the commencement of the policy period.
- Facts or circumstances in your knowledge prior to the policy period, which you knew had the potential to give rise to a claim under the policy.

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Telephone: +27 11 731 3600
www.santam.co.za
Registration number: 1918/001680/06



Santam is an authorised financial services provider (FSP 3416),
a licensed non-life insurer and controlling company for its group companies.

DISCLOSURE

You must disclose to the Insurer all information which is material to it in deciding whether to issue insurance cover to you, including any facts or conduct which might lead to a claim being made against you. Failing to do so could affect your rights to indemnity.

If you do not understand any part of this document, please contact your Broker BEFORE YOU SIGN IT. You will be bound by the answers, which are given, and by the information provided by you in this proposal form. It is in your interest to make sure that all information is correct and properly understood.

When in doubt, disclose.

ATTACHMENTS

Before you return this form, have you included the following

Company brochure / additional information	CVs for all principals
Claims information (if relevant)	Business plan for start-ups / new entities
Standard contract / engagement terms and conditions	Audited financial statements
Copy of expiring policy schedule to maintain retroactive cover (if transferring from another insurer)	

Please attach details where there is not enough space on the declaration form

1. DETAILS OF PROPOSED INSURED

1.1 Please provide the following details:

Insured / practice name (please ensure this matches the CIPC registration documentation)

Previous legal and trading names of the insured

Postal address

Physical address

Contact person

Tel number

Fax number

Email address

Website

Company registration number

VAT registration number

Policy holder protection data (compulsory)

- a) Is the insured's annual turnover or asset value **less** than R 2 000 000? NO YES
- b) What is the present legal constitution of the insured company?
- | | | |
|-------------------|------------------|-------------|
| Sole practitioner | Limited Co. | Partnership |
| Closed corp. | Incorporated Co. | |

Specialist | Professional Indemnity

Date of commencement of practice / business

As currently constituted

As initially established

1.2 Are any branches of the Proposed Insured located outside of South Africa?

NO YES

If YES, please provide the following details

Legally registered
name of the branch

Territory / country

Business activities

Fee income

Details of local /
in-territory insurance

1.3 Names and qualifications of principals / partners / directors / members as applicable

Name

Qualifications

Date qualified

How long principal in
this practice

1.4 Staff breakdown / compliment

Category

Number

Directors / principals

Fully qualified professional staff (please elaborate on
specific categories)

Non-profession staff (please elaborate on specific categories)

Interns / graduates / learners

Administrative staff

Support staff (cleaners, security guards etc.)

Total

1.5 Is the practice or any of the principals / directors / partners connected or associated (financially or otherwise) with any other firm, company or organisation?

NO YES

If YES, please provide full details

1.6 Is the practice or any of the principals / directors / partners engaged with any other person / practice in a single project partnership or a consortium or group practice?

NO YES

If YES, please provide full details

1.7 Do you belong to any regulatory or voluntary professional bodies / associations? NO YES

If YES, please provide full details

2. DETAILED BUSINESS DESCRIPTION

For the following industries an additional annexure is required to be completed:

- | | | |
|---|---|---|
| a. Built environment (engineers, architects, project managers, quantity surveyors etc.) | b. Legal practitioners
c. Accountants and auditors
d. Multi-media | e. Estate agents and valuers
f. Loss adjusters and assessors |
|---|---|---|

Please provide full details of all activities involved in
(if engaged in multiple disciplines, please provide a percentage split – total must add up to 100%)

3. BUSINESS CONDUCTED OUTSIDE SOUTH AFRICA

3.1 Do you or your firm do any business for your clients in any other countries? NO YES

Territory / country	% of fees	Largest contract value
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3.2 Does this Practice undertake any work whatsoever where the “end product” of such work is carried out in territories other than South Africa? NO YES
If YES, please provide the following details:

Country	Starting date	Type of contract	Total contract value	Approximate completion date
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3.3 Do you or your firm do any business for your clients in **North America** or any other countries / states governed by their laws? NO YES
If YES, please provide the following details:

a) What percentage of your fees are attributable to these activities?

b) Do you have physical offices in these areas? NO YES

If YES:

i) Under who’s management and control are these offices?

ii) Is there any foreign shareholding in these offices and if so what percentage? NO YES

Percentage

- iii) Do you give any advice relating to the laws of these countries?
If YES, provide full details
- NO YES
- c) Does the company or any partner, Director, etc. own any assets in North America?
If YES, please provide full details
- NO YES

4. QUALITY AND RISK MANAGEMENT

4.1 Contract management

- 4.1.1 If the Contract is larger and/or longer than standard projects usually undertaken by the firm, advise how the project will be / was managed from a risk management perspective?
- 4.1.2 Do you ensure that contracts are in place for every project and that these are signed by all relevant parties prior to commencement of the project?
If NO, please provide full details on how contractual obligations are then agreed upon and recorded
- NO YES
- 4.1.3 Do you ensure that any amendments to any project or part thereof is in writing, vetted and signed by all relevant parties prior to implementation?
If NO, please provide full details
- NO YES
- 4.1.4 Do you ensure that all contracts that are wide of your standard trading conditions are vetted by an expert / legal advisor / attorney / legal practitioner?
If NO, please provide full details
- NO YES
- 4.1.5 Do you ensure that a limitation of liability clauses is included in ALL your contracts?
If YES, please provide full details

If NO, please provide full details
- NO YES
- 4.2 Do you make use of sub-contractors?
If YES,
a) What percentage of your fees are paid to sub-contractors?
b) What activities would you typically appoint sub-contractors for?

c) What is your vetting and selection process for the appointment of Sub-Contractors?

d) Where the activities are different to your business, will they be liable to your client / the employer directly or will you be liable?

e) Do you require them to have Professional Indemnity cover in place? NO YES

If YES, what limit do you require them to carry?

4.3 Do you currently have any active joint ventures? NO YES

If YES,

a) Do you always make use of a written contract with your joint venture partners? NO YES

If NO, please provide full details on how contractual obligations are then agreed upon and recorded

b) Do you ensure that all partners maintain adequate Insurance for their services?

c) Are the fees declared in question 15 inclusive of fees earned from joint ventures? NO YES

d) Please complete the table below in respect of active joint ventures

Legal name of joint venture	Date of establishment	Your equity participation	Your fees earned from the joint venture
		% R	
		% R	
		% R	
		% R	
		% R	

4.4 Do you have a peer review process in place NO YES
 If YES, please attach or specify the details

4.5 Please provide details of any other projects of an unusual or special nature (outside the normal scope of business) or with a total contract value in excess of R 500 000 000

4.6 Please state the 5 largest contracts commenced during the past 6 years

Country	Starting date	Type of contract	Total contract value	Approximate completion date
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4.7 Applicable to Limited Companies only – do your charges accord with the scales sanctioned by the Professional Body in the field in which you are engaged? NO YES
 If NO, please state on what basis / scale you charge for your services?

5. ARTIFICIAL INTELLIGENCE (AI)

- 5.1 Do you currently make use of any form of AI in your business? NO YES
- If NO,
- 5.1.1 Do you intend on implementing the use of AI in the next 12 months? NO YES
- If YES,
- 5.1.2 Which type of AI tools do you intend to make use of?
- | | | | |
|---------------------|-----------------------|------------------------|---------------------------|
| Research | Information gathering | Filtering data | Data analysis |
| Document generation | Virtual assistant | Chatbots | Marketing and advertising |
| Generative design | Anomaly detection | Other (please specify) | |
- 5.1.3 What is your due diligence protocol to ensure that the information generated from AI is accurate and correct?
- 5.1.4 Type of AI tools do you make use of?
- | | | | |
|----------------------------------|-----------------------------|--|------------------------|
| Chat GPT or other open platforms | In-house developed AI tools | Third party systems designed for your profession | Other (please specify) |
|----------------------------------|-----------------------------|--|------------------------|
- 5.1.5 To what extent do you make use of Chat GPT or other open platforms to carry out any professional services?

6. CLAIMS EXPERIENCE

- 6.1 Other than circumstances / claims / incidents which may result in any possible claims, already notified to Santam, have any claims ever been made against the proposed insured / partners / directors / members or employees for the type of cover for which you are now applying, whether in terms of this proposal or any other proposal / policy for the same type of cover? NO YES
- If YES, please provide / **attach** full details including but not limited to the following:
- 6.1.1 Date of loss 6.1.2 Quantum
- 6.1.3 Description of the matter / circumstances which brought about the incident / claim
- 6.1.4. Current status of the matter
- 6.1.5 Loss ratio and full claims history from current insurer (if applicable)
- 6.2 **After enquiry**, are any of the proposed insured / partners / directors / members or employees aware of any circumstances which could be covered under a policy of this type, that may result in any claims, or any possible claims being made against them? NO YES
- If YES, please provide / **attach** full details

7. DETAILS OF INSURANCE

- 7.1 Are you at present or have you in the past been insured for professional indemnity? NO YES
- If YES, please provide the following details and attach a copy of the Policy (please note the details of all policies if there is more than one in place):
- Name of broker
- Name of insurer
- Date cover expires/d
- Expiry of “run-off” cover (if any)
- Limit of indemnity
- Deductible / excess applicable
- Annual premium
- 7.2 For the type of Insurance now being proposed, has any Insurer ever:
- a) declined a proposal or renewal for this practice or any partner / principal? NO YES
- b) required an increased premium or imposed special terms? NO YES
- c) cancelled an insurance? NO YES
- If YES, please provide full details:
- 7.3 Do you require cover in respect of any liability incurred but not discovered prior to the effecting of this insurance at a single premium to be negotiated (Retroactive cover)? NO YES

8. FEE INCOME (AS AT THE COMPANY’S FINANCIAL YEAR END)

- 8.1 What is the date of the company’s financial year-end
- 8.2 Please declare audited fee income figures for the last 5 completed financial years (which must include contingency fees and fees paid to sub-contractors):
- | Year end | Fees | Year end | Fees |
|----------|------|------------------------------|------|
| 20 | R | 20 | R |
| 20 | R | 20 | R |
| 20 | R | Estimate over next 12 months | R |

9. QUOTATIONS REQUIRED

Kindly advise what limits you would like terms for:

Limit any one period of insurance	Deductibles
R	R
R	R
R	R

(Note: Limit any one period of insurance is inclusive of costs and expenses)

10. APPROXIMATE PERCENTAGE OF ESTIMATED GROSS INCOME ACCRUING FROM VARIOUS ACTIVITIES

Discipline	Percentage
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Auditing

JSE Listed Entities and subsidiaries

Compulsory: companies with public interest score above 350

Voluntary: companies with public interest score below 350

Banks, financial service providers (FSP's), pension and retirement funds

Medical schemes

Auditor – general

Attorneys and estate agents trust accounts

Business support

Accounting and bookkeeping

Payroll administration

Secretarial and share registration

Management consulting

Valuations, mergers and acquisitions

Other (please specify)

Tax

Compliance and administration

Consulting

Financial services

Financial planning and investment advice

Insurance intermediary

Money market and funds management

Management of third-party fund / money held in trust

Independent services

Executors and trusteeship

Liquidations and insolvencies

Business rescue practitioner

Forensic investigations

Legal (please provide full details of what these services entail)

Assurance

BEE/BBBEE

Independent review

Other (please specify)

Total

100%

11. MANAGEMENT OF MONEY MARKET FACILITIES (IF APPLICABLE)

- 11.1 Through which financial institutions are the funds invested?
- 11.2 Which employees have authority to transact, add beneficiaries and change bank account numbers in respect of this facility?
- 11.3 Is there a dual sign-off process in place to authorise transactions, add beneficiaries and change bank account numbers? NO YES
- 11.4 Are funds ever transferred / paid to a third party? NO YES
- 11.5 What is the average monthly amount invested? NO YES
- 11.6 What amount of fees do you earn from these services?
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12. MANAGEMENT OF THIRD-PARTY FUND / MONEY HELD IN TRUST (IF APPLICABLE)

- 12.1 At what intervals are trust money balances checked by:
- a) an internal audit of one of the partners?
 - b) an audit by the firm's Auditors?
- 12.2 What is your due diligence / verification protocol in respect of changing banking details and payment requests and verifying the authenticity of such requests?
- 12.3 Can the loading / changing of banking details and payments be undertaken by the same individual and / or do they have a mandate to do so?
- 12.4 Are second signatories / authorities required for changing of banking details and payments?
- 12.5 How many staff members have transactional access to the trust account?
- 12.6 Which employees have authority to transact, add beneficiaries and change bank account numbers in respect of this facility?
- 12.7 Is there a dual sign-off process in place to authorise transactions, add beneficiaries and change bank account numbers? NO YES
- 12.8 What is the average monthly amount invested into this facility?
- 12.9 What amount of fees do you earn from these services?

13. PAYROLL ADMINISTRATION (IF APPLICABLE)

- 13.1 In respect of payroll services, please provide the following information:
Do you limit your liability in respect of payroll services? NO YES
If YES, provide details to what extent.
- 13.2 Provide full details on what your services in this respect entail
- 13.3 Does your client sign-off and check all payroll information before same is submitted for payment? NO YES
If NO, advise what procedures are followed to ensure accuracy
- 13.4 How many payrolls do you manage?
- 13.5 What is the average size payroll (amount) managed by your company? R
- 13.6 What is the biggest payroll (amount) managed by your company? R
- 13.7 Do you undertake any additional services in respect of Payroll Administration such as preparing payslips, PAYE Calculations and loading of PAYE submissions on behalf of your clients? NO YES
If YES, advise what additional services are being provided

14. PLEASE PROVIDE THE FOLLOWING DETAILS WHERE SERVICES ARE RENDERED THROUGH OTHER COMPANIES (IF ANY)

14.1 Details of companies

Name of company	Directors	Activities	Annual income of the company	accruing to the insured
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14.2 Ownership

Details of any financial interest in any company named above, of any person other than a nominee of the partners of the Insured

14.3 Management and control

14.3.1 Name of partner responsible for activities of each company

14.3.2 Does any company employ staff directly? NO YES

14.3.3 Any functions of the company exercised exclusively by partners / employees of the insured? NO YES

14.4 Clientele and contractual relationships

Does any company:

a) offer its services (directly or through the insured) to persons who are NOT clients of the insured? NO YES

b) enter into direct contractual relationships with clients? NO YES

15. INTER-PARTNERSHIP ARRANGEMENTS

- 15.1 Do you have any inter-partnership arrangements with other accountants, or firms of accountants? NO YES
- 15.2 If YES, do these firms carry out work in the name of your firm or vice-versa? NO YES
- 15.3 Do they have a similar professional indemnity policy and for what limit of indemnity? R
NO YES
- 15.4 If they carry out work in your name, please submit a declaration from them that their partners are, after enquiry, not aware of any circumstances which may result in any claim being made in connection with work undertaken on your behalf.

16. FINANCIAL CONTROLS

- 16.1 Is any employee allowed to sign a cheque on their signature alone and / or have access to internet banking passwords? NO YES
If YES, please provide relevant person's details
- 16.2 Over the past five years, have any of the entities to be insured sustained any loss through the fraud or dishonesty of any partner or employee? If YES, please **attach** full details NO YES
- 16.3 How often are entries in the cash book checked with the vouchers and reconciled with the bank statements?
- 16.4 Who does the checking?
- 16.5 Apart from petty cash cheques, are all cheques made out in favour of ultimate suppliers? NO YES

DECLARATIONS

1. I/we declare that after proper enquiry the statements and particulars given above are true and that I/we have not misstated or suppressed any material fact.
2. I/we agree that this Proposal Form, together with any other material information supplied by me/us shall form the basis of any contract of insurance effected thereon.
3. I/we undertake to inform Insurers of any material alteration to these facts occurring before the completion of the contract.

Signed on behalf of insured

Full name

Position held at insured

Date

PROTECTION OF PERSONAL INFORMATION ACT

We understand that the information provided in this application for insurance and all documentation provided with it may be deemed to be personal information in terms of the Protection of Personal Information Act 2013 (the POPI Act) and we will accordingly take all reasonable steps to ensure that your information is processed / used / stored in accordance with the POPI Act and for the following purposes:

- To verify the information disclosed herein against any other source;
- To communicate with you directly should you request us to and in accordance with relevant regulatory requirements;
- To compile non-personal statistical information to assist in assessing similar risks;
- To assess the risk to be underwritten and, if a Policy of Insurance is issued pursuant to and based upon such information, to use the disclosed information at claims stage to assess any claims that may be made against any such Insurances;
- To transmit your personal information to any affiliate, subsidiary, service provider/consultant/advisor or re-insurer so that we can provide insurance services to you and to enable us to further our legitimate interests including statistical analysis, reinsurance and credit control;
- To combat insurance fraud and properly evaluate risks, we will store your personal information on a shared database created by the South African Insurance Association (SAIA) in order to verify it against available sources and databases on the system.

Personal information of minors (complete if applicable)

If any information provided herein relates to a Minor (i.e. a child under the age of 18) we require that a competent person (parent/legal guardian) provide consent to the processing of such information for the above purposes and for any purpose that is compatible therewith.

I,
(full name of competent person), hereby provide my consent to the processing of any information provided herein relating to

(name of minor whose personal information is disclosed herein) for the purpose as disclosed above. I further understand that I have the right to withdraw this consent at any time but that this may mean that any insurance issued pursuant to this application may be terminated and/or that any claims issued against such insurance may not be able to be finalised.

Further disclosures

Please note that there may be instances where we will be required to transfer your personal information outside South African borders, generally for purposes of furthering the Insurer's legitimate interests regarding reinsurance or for the processing of any claim that arises outside South African borders. However, before transferring your personal information, we will ensure that the entity to whom the information is being transferred is subject to similar data protection conditions as those imposed by the POPI Act failing which we will advise you accordingly and request your consent to transfer information as required.

Note that the provision of the information required/requested herein is mandatory as it is necessary for us to accurately underwrite the insurances, which you are hereby applying for, and if any information is withheld or is misrepresented the Insurer may be entitled to void any insurances issued pursuant to this application.

Although any insurance issued pursuant to this application will be reviewed annually (where appropriate) it is your responsibility to ensure that the information provided to the Insurer remains accurate and up to date, we therefore encourage you to contact us at any time to advise us of changes to the information provided.

In addition, you may contact us at any time to exercise the following rights that you have in terms of the POPI Act (subject to any regulatory obligations placed on us/Santam Ltd):

- To request that we provide you with access to your personal information held/processed by us;
- To request that we erase or correct the your personal information that we hold (where appropriate/possible);
- To request that we transfer any personal information held by us to you or to any other person/system selected by you in a structured, commonly used and machine-readable format;
- To request that we restrict the processing of your personal information for reasons provided for in the POPI Act.

Should you wish to lodge a complaint regarding our compliance with the POPI Act or in respect of the processing of your personal information, please contact the Santam Client Care department:

Email: complaints@santam.co.za
Telephone: 0860 102 725
Fax: (021) 915 7434

Alternately, you also have the right to approach the South African Information Regulator should the above process not adequately address your concerns.

Email: complaints.IR@justice.gov.za
Postal address: PO Box 31533
Braamfontein, Johannesburg, 2017

Physical address:
JD House, 27 Stiemens Street
Braamfontein, Johannesburg, 2001
