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Questionnaire – 2010

Unless otherwise instructed, please complete each question. To complete this questionnaire online, go to charteredaccountants.com.au/capquestions

Please use your recently renewed PII policy to complete this questionnaire. A member of the Professional Standards Team may contact you to discuss your responses.

How to submit your completed questionnaire

Fax 02 9262 1310

Mail Professional Standards Team
The Institute of Chartered Accountants in Australia
GPO Box 9985, Sydney NSW 2001

For further enquiries

Phone 02 9290 5627

Email professionalstandards@charteredaccountants.com.au

Web charteredaccountants.com.au/capping

Name of practice

(Please identify the practice/s covered by **this** PI Policy)

1. Professional Indemnity Insurance

1. Is your practice covered by a current professional indemnity insurance (PII) policy?

Yes (go to **Question 2**) No (go to **Question 14**)

2. What month does your insurance period start?

3. Name of Brokerage firm

4. Name of Insurance company

5. What is your limit of indemnity for any one claim?

- Between \$1m and \$1.5m
 Greater than \$1.5m to \$5m
 Greater than \$5m to \$10m
 Greater than \$10m
 Other →

6. Is the limit of indemnity (sum insured) under your practice's PII policy at least the minimum required under the Institute's liability capping scheme?

Yes No

What is the minimum level of PI cover required?

Use the PI Calculator at charteredaccountants.com.au/capquestions to determine the minimum level of PI cover required. This is not a recommendation as to the appropriate level of PII.

7. Does your PII provide for costs-in-addition cover?

Yes (go to **Question 9**) No (go to **Question 8**)

PII policies also cover the costs of investigating, defending and settling claims in addition to covering the indemnity payments and settlement amounts associated with claims. In order to ensure that the full sum insured is available for payment of the settlement amount, the Institute recommends that a costs-in-addition policy, which covers legal and other costs of defending and settling claims over and above the amount of the limit of indemnity, is held. Where costs-inclusive cover is held the level of cover required to meet the limitation amount must be at least 25 per cent greater than the minimum amount of PII otherwise required.

8. If you answered '**No**' to Question 7, is the limit of your indemnity under your PII policy greater than the minimum you calculated in Question 6 by 25 per cent or more?

Yes No

9. Does this PII policy insure the practice and all its principals for all professional services your practice offers?

Yes No

10. Does the policy contain any exclusions or conditions which limit cover for any areas of service provided by your practice?

Yes No

If you answered '**Yes**', please provide the area of service excluded (eg. Tax schemes/financial services)

11. What is the amount of your highest excess or deductible?

Questionnaire continues overleaf >



Chartered Accountants

NUMBER ONE IN NUMBERS

Institute Limitation of Liability Scheme (continued)

1. Professional Indemnity Insurance (continued)

12. Is the PII policy excess or deductible equal to or less than one of:

- a) The amount calculated by multiplying the number of principals of the practice at the beginning of the period of insurance, by \$10,000

OR

- b) Three per cent of the total of the gross fee income of the practice for the financial year preceding the period of insurance?

Yes No

13. The premium paid for that PII policy as a percentage of your practice's annual gross fees: %

Use the annual gross fees for the financial year most recently ended (**do not show your gross fees**). That is, the formula for the calculation is:

$$\frac{\text{Premium}}{\text{Annual gross fees}} \times \frac{100}{1} = \text{_____} \%$$

2. Disclosure

14. Does your letterhead and other documents you give to clients, and prospective clients, carry the following:

- a) Disclosure Statement issued by the Professional Standards Council (PSC):

Liability limited by a Scheme approved under Professional Standards Legislation

Yes No

- b) The optional *Cover of Excellence*TM logo?

Yes No



3. Monitoring of claims data

Claims monitoring is a key element of the Institute's annual report to the PSC. This data is only required for claims against members of the Institute in excess of \$500,000.

To maintain confidentiality of this essential claims data and to protect members' commercial interests this information is collected principally for collation as a key component of our summary report to the PSC as an analysis of the nature and level of claims against members. Members can have confidence that they and their practices are not identified.

15. Has a formal claim in excess of \$500,000 been lodged against you or your practice during the 2009 or 2010 calendar years?

Yes No

If you answered '**Yes**' to Question 15, a member of the Professional Standards Team will contact you to discuss claims data.

4. Declaration

I declare that the information provided above is true and correct to the best of my knowledge and belief.

Name

Address

State Postcode

Phone

Email

Signed

Date ..

Privacy statement

The Institute of Chartered Accountants in Australia respects the privacy of individuals and acknowledges that the information you provide on this form is 'personal information' as defined by the *Privacy Amendment (Private Sector) Act 2000*. This information is being collected principally to provide aggregated and unidentified data to the Professional Standards Council.

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