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## Professional Indemnity Insurance Proposal Form for Members of the South African Institute of Tax Professionals

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### Guidelines:

1. This proposal form will form the basis of the contract. Inaccuracies and incomplete information could impair the coverage. Please, therefore, answer all questions fully, attaching a separate sheet if space is insufficient. **Please email completed form to [info@pifrs.co.za](mailto:info@pifrs.co.za)**
2. All material information that could impact on the determination of the premium or granting of cover must be declared,
3. Please answer **ALL** questions fully – replies such as “see your records” or “as previously advised” are not acceptable. If the space provided is insufficient, a separate sheet should be attached.
4. The Declaration forming part of this Proposal must be signed by a partner in the Firm and where cover is to include any Company through which the Firm provides professional services the partner signing the Declaration shall be deemed to be the duly authorised agent of such company.
5. The completion of this Proposal is not a confirmation of cover.
6. In the event of any new / additional entity being formed, Insurers need to be advised as cover will not be granted automatically.
7. The insurance policy will be issued on a Claims Made basis. 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:
  - a) Events that occurred prior to the retroactive date stated in the policy are not covered.
  - b) Claims made or notified after the policy has expired will not be entertained.
  - c) Claims or circumstances notified under any previous policy or which should have been notified or noted under any previous proposal form.
  - d) 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.

**PIFRS is a division of firstEquity Risk Management Services (Pty) Ltd**  
**firstEquity is an authorised Financial Services Providers**

**PI Financial Risk Services (Pty) Ltd | Directors:** S Casserly | V Govender | JCS Pearson (CEO), | **Reg No:** 2008/026574/07 | **Physical Address:** First Floor, Block A, Hobart Square Office Park, 23 Hobart Rd, Bryanston, 2191 | **Postal Address:** PO Box 71431 Bryanston, 2021, Gauteng, South Africa | **Telephone:** 08611 74377 (08611 PIFRS) |

- 1) Names of all Firms, and other entities providing professional services, to be insured (in the event of any new / additional entities being formed, Insurers need to be advised as cover is not automatic):

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- 2) Basic Information:

Contact Person	
E-mail Address	
Telephone No.	
Facsimile No.	
Postal Address	
Physical Address	
VAT Registration No.	
Formation date of Firm	
Location of branch offices	

- 3) Principal / Partner / Director Information:

	Principal / Partner / Director's Name	Qualifications	Year commenced public practice
1.			
2.			
3.			
4.			
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9.			
10.			

4) Staff Totals:

Number of partners / directors	
Number of professional staff (excluding partners etc.)	
Number of all other staff	
Total of all partners and staff	

5) Gross Income of all entities to be insured:

- a) Income is to exclude VAT.
- b) The income disclosed needs to be for a 12 month period and should be in line with your financial year.
- c) Accurate income figures are required. Rounded off figures will not be accepted for past actual fees.
- d) Failure to provide accurate income figures could impair the coverage.
- e) Full income of service companies is required even if the Firm does not own the entity 100%.

Financial year end:	
Estimated <b>gross</b> income (excluding VAT) Period of 01/ /20__ to / /20__	
Income of the Firm	R
Income of other entities / Service Companies	R
Total income of Firm and other entities	R

Actual (not rounded off) <b>gross</b> income of previous financial year (excluding VAT) Period of 01/ /20__ to / /20__	
Income of the Firm	R
Income of other entities / Service Companies	R
Total income of Firm and other entities	R

6) Division of work:

Please indicate the approximate percentage of total income derived from each section based on the Last Financial Year:

a)	Auditing:	
	i) Listed public companies, banks or financial institutions	%
	ii) Auditor-General	%
	iii) Internal Audit	%
	iv) All other	%
b)	Accounting	%
c)	Taxation: Personal	%
d)	Taxation: Company	%
e)	All Management Consultancy, Secretarial, Share Registration, Insolvencies	%
f)	All Liquidator, Executor, Receivership, Judicial and Trusteeship	%
g)	All Insurance and Financial Planning	%
h)	All Money Market and Investments	%
i)	All other work - Please fully describe:	%
		100%

Please advise whether there could be a material change to the division of work in future and also whether new activities are contemplated?

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7) In respect of non-attest work, are you limiting your liability in engagement letters or in another form? .....

If YES, please provide details.

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8) Are you registered with the Financial Services Board to provide investment advice? .....

If YES, please provide your registration number?.....

9) Do you sub-contract with any other parties whereby:

a) They carry out work in the name of your Firm? .....

If YES, please name them: .....

b) You carry out work in the name of those Firms? .....

If YES, please name them: .....

10) a) Do you manage a money market facility in respect of client's funds? .....

b) If YES, through which financial institution/s are these funds invested?

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c) Who has authority to make transactions in respect of this facility?

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d) Please indicate the approximate total monthly amount invested. R.....

11) Please complete the below section should a quotation be required for cover in respect of the theft of the Firm's own funds.

a) Amount of insurance required? (minimum limit is R250,000) R.....

b) Is the firm presently insured for Fidelity cover through another Insurer? .....

If YES, through whom? .....

c) Have any Insurers ever cancelled or refused to accept or continue any Fidelity Insurance / Theft of Funds cover for the entities to be insured?  
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d) Have the entities to be insured sustained any loss through the fraud or dishonesty of any partner or employee? .....

If YES, please provide full details on a separate sheet.

e) Do you know of any potential loss as a result of fraud or dishonesty of any partner or employee? .....

If YES, please provide details on a separate sheet.

f) Is an employee allowed to sign a cheque on their signature alone and / or have access to internet banking passwords? .....

If YES, please advise their names. ....

g) How often by whom are entries in the Cash Book checked with the vouchers and reconciled with the Bank Statements?.....

h) Are all cheques made out in favour of ultimate suppliers? .....

12) Current PI Insurance Arrangements:

a) Who is your current broker? .....

b) Who are your current insurers / Underwriters? .....

c) When does your current policy expire? .....

d) What is your current indemnity limit? .....

e) What is the current deductible? .....

f) What was your last premium paid (inclusive of VAT)? .....

13) Is there any additional material information which you feel should be provided in order for Insurers to better determine the rate and analyse your risk exposure?

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14) Has any application for insurance of this nature (made on behalf of the Firm(s) or their predecessors in business or any of the entities to be insured) ever been declined, cancelled or has renewal been refused or have special terms been imposed?

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15) Prior claims / Current claims / Circumstances that could lead to a claim (refer to Guideline 7)

In your interests it is essential for you and your colleagues to disclose your claims history, if any, and also any circumstances as referred to in Question 16 (b).

a) Have any claims ever been made against the Firm(s), any of the present or former partners or against the predecessors in business of the Firm(s) or against any of the entities to be insured? .....

If YES, please provide full details. (If insufficient space please use a separate sheet).

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b) After having made full enquiries, is the principal or any of the other partners/directors aware of **ANY** circumstances, no matter how remote, which may result in any claim being made against the Firm(s), their predecessors in business or any of the present or former partners or against any other entity to be insured? .....

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**If YES, please provide full details on a separate page or in a letter**

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**DECLARATION:**

I hereby declare that:

- 1) to the best of my knowledge, and after making appropriate enquiries, the statements and particulars in this proposal form are complete and true,
- 2) in particular the income figures disclosed under Question 5 have been checked and are accurate,
- 3) after making appropriate enquiries neither I nor any of the persons named in Question 3 have reason to anticipate any claim or other adverse reaction arising out of any error or omission that may have been perpetrated in the past,
- 4) in signing this declaration I am the authorised agent of all entities to be insured.

Dated: .....

Name of Principal / Partner / Director: .....

Signature of Principal / Partner / Director: .....