



PROFESSIONAL INDEMNITY  
PROPOSAL FORM

*insurance intermediaries*

**PLEASE READ THE FOLLOWING BEFORE**

**COMPLETING THIS PROPOSAL FORM:**

**TO PRESENT A CLEAR AND UNAMBIGUOUS PICTURE AND TO ENSURE THAT UNDERWRITERS UNDERSTAND THE NATURE OF YOUR RISK:**

- \* ALL QUESTIONS SHOULD BE COMPLETED IN INK.**
  
- \* WHERE A QUESTION IS NOT APPLICABLE TO YOUR PARTICULAR CIRCUMSTANCES, PLEASE WRITE 'N/A'.**
  
- \* PLEASE TICK THE YES OR NO BOXES.**
  
- \* IF THERE IS INSUFFICIENT SPACE TO ANSWER QUESTIONS PLEASE USE AN ADDITIONAL SHEET AND ATTACH IT TO THIS PROPOSAL FORM.**
  
- \* COMPLETING AND SIGNING THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR INSURERS TO COMPLETE THIS INSURANCE.**
  
- \* IF THIS PROPOSAL RELATES TO A NEW BUSINESS OR VENTURE, PLEASE COMPLETE THE QUESTIONS AS FAR AS POSSIBLE, GIVING ESTIMATED OR ANTICIPATED INFORMATION.**

**PROFESSIONAL INDEMNITY INSURANCE**

An Individual or a Partner, Principal or Director of the Firm/Company must complete the proposal form in ink. All questions must be answered to enable a quotation to be given. The completion and signature of this proposal form does not bind the Proposer or Insurers to complete a contract of insurance.

If there is insufficient space to answer any question, please continue on your headed notepaper and attach it to this form.

Please provide any standard contract terms, conditions, agreements or letters of appointment, which you have with your clients.

**PLEASE TYPE OR CLEARLY PRINT YOUR ANSWERS TO ASSIST THE UNDERWRITERS' CONSIDERATION OF THE PROPOSAL**

1a) Name of Individual or Firm(s) (including any subsidiary requiring cover):

b) Date established:

c) Address(es) (specifying who is responsible, if there is more than one location):

d) Website: e-mail address:

e) Name(s) of any previous Firm(s) requiring cover and the date(s) on which they ceased trading:

2a) Name of Individual, Partner, Principal or Director	Age and Qualifications	Date Qualified	Number of years Practical Experience
<b>PLEASE ATTACH DETAILED C.V. (S), WHERE NO RELEVANT QUALIFICATIONS ARE HELD</b>			

b) Names of Consultants,  
Agents, Self-employed  
Persons regularly used

Age and  
Qualifications

Date  
Qualified

Number of years  
Practical experience

**PLEASE ATTACH DETAILED C.V. (S)**

c) Do you require cover for past Partners, Principals or Directors?  
If yes, please provide details

**YES/NO**

3a) Is any Individual or the Firm admitted to any Association or Trade Body?  
If yes, please give details.

**YES/NO**

b) Has any person been the subject of disciplinary proceedings by any professional body?  
If yes, please give details.

**YES/NO**

c) Please indicate the Regulatory Body governing the Firm

**BIBA**  **FCA**  **ABI**  **OTHER**

d) If you have applied to join any of the above bodies, please give details.

e) Has an application for membership **ever** been refused?  
If yes, please give details

**YES/NO**

<p>4 Please state the total number of Partners, Principals or Directors:</p> <p style="text-align: center;">Appointed Representatives:</p> <p style="text-align: center;">Consultants, Self-employed Persons and Agents:</p> <p style="text-align: center;">Administration and Other Staff:</p>	
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<p>5 If you are a sole practitioner, please give details of arrangements made in the event of sickness or holiday.</p>
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<p>6 Please list by activity the approximate percentage of work carried out in each instance:</p>	
Non-Marine Personal Lines	%
Non-Marine Commercial (including Motor fleet)	%
Liability/Professional Indemnity/Directors & Officers	%
Motor (Personal)	%
Aviation	%
Marine	%
Reinsurance	%
Financial Services	%
Investment Advice <b>(PLEASE COMPLETE SEPARATE QUESTIONNAIRE)</b>	%
Mortgages <b>(PLEASE REQUEST 'LOW COST' ENDOWMENT QUESTIONNAIRE)</b>	%
Building Society Agent	%
Claims Adjusting	%
Risk Management	%
Underwriting Agent	%
Call Centre	%
Any Other (please provide full details)	%

7a) Please state the premium and your gross income (brokerage, commission and fees) received for each of the last three financial years, billed to clients, and an estimate for the next twelve months.

Year	U.K.	Worldwide ex USA/Canada	USA/Canada
20	Premium Income		
20	Premium Income		
20	Premium Income		
Estimate			
20	Premium Income		
Financial Year ends:		(Month)	

b) What percentage of this income is paid to consultants, self-employed persons and agents? %

8a) Please list the three largest policies/schemes/contracts undertaken in the last three years:

- i)
- ii)
- iii)

b) What is the largest annual income earned from a single client in the last twelve months?

In the case of Overseas policies, please list the countries involved and whether U K or local law applies. Also, please give brief details of the policy(ies) and size.

c) Please advise the largest sum insured/limit of liability in respect of:

- i) Material Damage policies £
- ii) Public, Employers and Products Liability, Directors & Officers or Professional Indemnity £

9a) Have there been any major changes in the activities undertaken during the past twelve months or are any likely to take place in the next twelve months? **YES/NO**  
If yes, please give details.

b) Is cover required for any activity, now ceased, which is different from those declared, within this proposal form? **YES/NO**  
If yes, please give details.

c) Have you carried out any activities other than those disclosed in this Proposal? **YES/NO**  
If yes, please give details.

11a) Do you place any insurance with Insurers who operate outside the U K? **YES/NO**  
If yes, please give details.

b) Do you or have you placed insurance(s) with Companies not authorised within the meaning of the Insurance Companies Act 1982? **YES/NO**

c) Do you place any business with Underwriting Agencies:  
in the U K? **YES/NO**

outside the U K? **YES/NO**

If yes, please provide full details

d) Please advise what steps you take, if any, to check the security of any insurers or underwriting agencies, with whom you transact business.

12 Do you place insurance for any clients resident outside the U K?  
If yes, please give details.

**YES/NO**

13a) Do you **ever** complete a proposal form, on behalf of a client?

**YES/NO**

If yes, do you ensure that the client checks the accuracy of the answers given and information provided and **always** signs and dates the proposal form?

**YES/NO**

14a) Have you **ever** given any client advice regarding the Corporate Manslaughter and Corporate Homicide Act (2007)?

**YES/NO**

b) Have you **ever** given any client advice regarding the Health & Safety Offences Act (2008)?

**YES/NO**

c) Have you **ever** given any client advice regarding the Environmental Liability Directive 2004/35/EC?

**YES/NO**

d) As a result of this advice, have you or, have you arranged to be, undertaken Risk Management, on their behalf or suggested specific cover be purchased?

**YES/NO**

15a) Do you have in place an adequate and efficient system that ensures that diary dates are not missed?

**YES/NO**

b) Is a renewal monitoring system operated?

**YES/NO**



16a) If you are a member of a consortium or have entered into a joint-venture agreement, please give details.

b) Do you undertake work for or are you associated, either by shareholding or official position, with any company/organisation, where you are in a position to make major decisions? **YES/NO**  
If yes, please give details.

c) Have any of the Partners, Principals or Directors been a Partner, Principal or Director or been associated with any business that has ceased trading, either voluntarily or compulsorily?

**YES/NO**

If yes, please give details

17a) When Consultants, Self-employed Persons, Agents are engaged, have you, in the past, and will you in the future endeavour to ensure that they are appointed directly by and paid by the client?

**YES/NO**

b) Do you have any Appointed Representatives?

**YES/NO**

If yes, please detail your responsibilities, in connection with their operations

c) Have you and will you ensure that the persons or firms above have entered into a binding contract accepting full responsibility for their own Professional neglect, error or omission and that they carry and maintain in force Professional Indemnity insurance?

**YES/NO**

**IT IS A CONDITION OF THIS POLICY THAT P I INSURANCE IS MAINTAINED BY THIRD PARTY PROFESSIONALS, TO ALLOW FOR SUBROGATION, IN THE EVENT OF A CLAIM**

18a) Do you operate under any Umbrella/Flag of Convenience arrangement, with any Lloyd's insurance broker, which enables you to access **directly** the Underwriting Room at Lloyd's? **YES/NO**

If yes, please provide the following detail:

i) Name of Lloyd's broker

ii) How long arrangement has been in place

b) Do you anticipate this arrangement will continue for the next twelve months? **YES/NO**

c) Have you previously operated under any similar arrangements? **YES/NO**

**THIS DOES NOT APPLY TO ANY DIRECT FACILITY YOU MAY HAVE WITH  
A LLOYD'S SYNDICATE'S SERVICE COMPANY**

19 Do you hold or have you held any Binding Authority, granted by an insurance or reinsurance company, Lloyd's syndicate or underwriting agency, which allows you, at your discretion, to set rates, terms and conditions and/or handle claims? **YES/NO**

If yes, please **answer the separate Binding Authority questionnaire**

20 For what period of time do you retain paper files before destroying them?

21 Does the Firm or any of the Partners, Principals, Directors or Employees (on behalf of the Firm) act or have they acted as Trustee for any client's Pension Fund, Travel Insurance scheme or the like? **YES/NO**

If yes, **please complete the separate Trustees questionnaire**

22 Do you wish to consider any of the following extensions?

Loss of Documents	YES/NO
Unintentional Breach of Confidentiality	YES/NO
Libel & Slander	YES/NO
Unintentional Breach of Copyright	YES/NO
Dishonesty of Employees	YES/NO
Claims arising from Associated Companies	YES/NO

23 Do you currently have Professional Indemnity insurance?

YES/NO

If yes, please give details.

Expiry Date:

Limit:

Excess:

Insurer:

24 Have you ever had any Professional Indemnity insurance cancelled, declined or only written at special terms?

YES/NO

If yes, please give details.

25 Please state: limit of indemnity required

: self insured excess

26a) Do you always require satisfactory written references when engaging employees? **YES/NO**

b) Is any Partner, Principal, Director or Employee allowed to sign cheques on their sole signature? **YES/NO**

If yes, please give details

c) How often are employees who receive cash or cheques, during the course of their duties, required to pay these in?

d) How often are checks carried out on all entries in cash books, with all paying-in books, receipts, counterfoils and vouchers being reconciled with bank statements, including the balance of cash and unrepresented cheques, independently of employees receiving or banking monies, belonging to the Firm or in trust, on behalf of others?

27 **Have you EVER had any claims made against you or know of any circumstances that could or would have resulted in a claim, if cover had been in force?** **YES/NO**  
If yes, please give full details.



## BINDING AUTHORITY QUESTIONNAIRE

### TO BE COMPLETED BY ANY PROPOSER GRANTED A BINDING AUTHORITY

1a) Date authority commenced:

b) Are records maintained, to ensure that renewal of this authority is discussed and provision made for non-renewal, well before the expiry of such agreement? **YES/NO**

If no, please explain fully.

2 List all Insurers, Reinsurers, Lloyd's Syndicates or Underwriting Agencies subscribing:

3 Classes of business underwritten  
(Please state Direct or Reinsurance as applicable)

4 Maximum underwriting limits permitted, in each class:

5 Origin of business accepted Geographically:

UK	%
Europe	%
USA/Canada	%
Elsewhere	%

6 Does the Firm only accept business by way of an “underwriting stamp” being put down on a broker’s placing slip? **YES/NO**

If no, please give brief details of normal methods of accepting business

7 Does the Firm, in their own right, handle the placing of any reinsurance protection on behalf of those insurers for whom they are accepting risks under the above authority(ies)?

**YES/NO**

If yes, please provide full details and state the commission earned in last twelve months, in this respect.

8 Does the Firm have full power to accept risks and set premiums without prior reference or referral, within a specified period after their acceptance, to those Insurers or any of them granting the authority(ies)?

**YES/NO**

If no, please give details of limitations applicable or authority to vary the rates contained in the agreement.

9 Total premium income, from all binding authorities for:

- |  |   |
|--|---|
| i) Current financial year ending:        | £ |
| ii) Past financial year:                 | £ |
| iii) Estimate for coming financial year: | £ |

10 Total commissions, fees or earnings, from all binding authorities, for:

- |  |   |
|--|---|
| i) Current financial year ending:        | £ |
| ii) Past financial year:                 | £ |
| iii) Estimate for coming financial year: | £ |

11 Do all or any of the 'binders' restrict authority to:

- |   |               |
|---|---------------|
| i) named persons in the Firm, who may accept risks?   | <b>YES/NO</b> |
| ii) delegate the Firm's authority to any outside agent, firm or organisation<br>If yes, please give full details, including information relating to controls<br>In place/training and checking of the work: | <b>YES/NO</b> |



12 Please complete the following in respect of all individuals engaged in the acceptance and binding of risks under any authority:

Name

Position

If less than three years practical experience in this field, please give brief details of previous occupation

13a) What training, if any, is given to the staff, in respect of the binding authority(ies) you have been granted?

b) Please also confirm that all staff are required to sign documentation confirming that they have fully understood the training given

**YES/NO**

14a) How often is this training up-dated?

b) When was the last formal training session undertaken?

15a) Is there a formal written set of guidelines in place for the operation of the authority? **YES/NO**

b) What measures exist to ensure compliance with the guidelines?

16a) Does every individual, operating under the binding authority, have access to the guidelines and are all updates and amendments communicated effectively to all staff? **YES/NO**

If yes please provide details of when the last update was communicated.

b) How regularly is this done?

17a) Are audits undertaken, on a regular basis, of those binding authorities you hold? **YES/NO**

If yes, how often do the insurers perform such an audit and review files?

b) When did the last audit take place?

c) What independent checks are made, by senior staff, of the parameters of all binding authorities you hold?

18 Did anything emerge from this or any previous audit that may give rise to a claim or at which the insurer expressed concern? **YES/NO**

If yes please provide full details and explain the measures taken to address the issues raised.

19 What other safeguards are in place to ensure that the terms of the Binding Authority are complied with?

## INVESTMENT ADVICE QUESTIONNAIRE

Please list the approximate percentage of the Firm's income, in the last financial year, from::

Dealing in listed U K Securities	%
Dealing in unlisted U K Securities	%
Dealing in Foreign Securities	%
Dealing in Bonds:	
U K	%
Offshore (including Channel Islands and Isle of Man):	%
Investments in Unit Trusts:	
U K:	%
Offshore (including Channel Islands and Isle of Man):	%
Dealing in Commodities (including Futures)	%
Investment in Tangibles (coins, gems etc)	%
Private Client Portfolio Management:	
Discretionary:	%
Non-discretionary:	%
<b>PLEASE PROVIDE A COPY OF THE CONTRACT</b>	
Split Capital Investment Trusts	%
<b>PLEASE COMPLETE SEPARATE QUESTIONNAIRE</b>	
Institutional Fund Management	%
Corporate Finance	%
Mergers & Acquisitions	%
Mortgages	%
Other (please specify)	%

**IF LOW COST ENDOWMENT MORTGAGES HAVE EVER BEEN RECOMMENDED,  
PLEASE REQUEST SEPARATE QUESTIONNAIRE, FOR COMPLETION**

**PENSION TRUSTEES QUESTIONNAIRE**

**TO BE COMPLETED BY ANY PROPOSER ACTING AS A TRUSTEE FOR A CLIENT'S PENSION FUND**

1 Names of such funds

2 The total value of each fund, for which the Proposer acts as trustee, at the end of their last financial year

3 Is advice taken partly or in whole from outside investments advisers or are all investment decisions made by the trustees themselves?

4 Do the trustees receive an additional remuneration from their clients, as trustees, apart from their normal brokerage, commission or fees, derived from placing and servicing the client's business? **YES/NO**  
If yes, please give details.

5 Do you act purely as trustee for insured funds?

**YES/NO**

6 Have you **ever** acted as sole trustee of any fund?

If yes, please provide full details

**YES/NO**

7a) Have any mergers, takeovers or significant re-organisation taken place for any of the clients, for whom you are acting as Pension Fund trustee, which could affect the scheme?

If yes, please give details

**YES/NO**

b) Do any of the schemes for which you act as Pension Fund trustee accept liability for benefits for the majority of members of any previous pension arrangement?

**YES/NO**

If yes, please give full details