

# PROFESSIONAL INDEMNITY INSURANCE PROPOSAL FORM FOR GENERAL INSURANCE BROKERS

THE PERSON COMPLETING AND SIGNING THIS PROPOSAL FORM MUST BE AUTHORISED BY THE PROPOSER TO DO SO AND MUST MAKE ALL NECESSARY ENQUIRIES WITH ALL THE PARTNERS, DIRECTORS AND EMPLOYEES TO ENSURE THAT ALL QUESTIONS ARE ANSWERED ACCURATELY.

ALL QUESTIONS MUST BE ANSWERED (PLEASE MARK AS 'NOT APPLICABLE' ACCORDINGLY). SHOULD THERE BE INSUFFICIENT SPACE ON THIS FORM, PLEASE CONTINUE ON YOUR LETTERHEAD.

COMPLETION OF THIS PROPOSAL FORM DOES NOT BIND THE PROPOSER OR INSURER TO ENTER INTO A CONTRACT OF INSURANCE.

Please complete and return your form to:

**Professional & Special Risks Division**  
Senior Wright Indemnity Limited  
Boundary House  
7/17 Jewry Street  
London EC3N 2EX

For any queries / questions, please contact:

020 7680 5995

## (1) PROPOSER DETAILS

Name of the Firm (please ensure that all current and previous trading titles/entities to be covered under this policy are listed below):

Main Address:

Postcode:  FSA Reg. Number:

All other branch offices (*By Town or city*): (1)  (2)

Are all branch offices supervised by a full-time partner/director/principal?

Yes:  No:

Year Established:  Tel. Number:

Website:  Email:

## (2) PARTNER / DIRECTOR / PRINCIPAL AND STAFF DETAILS

(a) Number of Partners/Directors/Principals/Consultants:  Those qualified?\*  Those part-qualified?\*

(b) Number of Employees (excl. Appointed Representatives):  Those qualified?\*  Those part-qualified?\*

(c) Number of Appointed Representatives:

(d) Number of Introducer Appointed Representatives:

\* "qualified" denotes a person who has achieved Cert CII status or higher, and "part-qualified" denotes a person working towards becoming "qualified".

### (3) COMMISSION INCOME (INCLUDING FEE INCOME)

Please state the Firm's Gross Commission / Fee Income for the last two financial years, and anticipated Income for the next financial year:

Clients domiciled:	Last Year (Actual) 20_____	Previous Year (Actual) 20_____	Next Year (Estimate) 20_____
(a) In the U.K. (inc. Channel Islands / Isle of Man)	£	£	£
(b) In the USA, its territories and possessions, or Canada	£	£	£
(c) Elsewhere (excl. USA & Canada)	£	£	£
<b>TOTAL (a + b + c):</b>	<b>£</b>	<b>£</b>	<b>£</b>

Please state the month of your Financial Year end:

What approximate percentage of your Income was derived in the **Last Financial Year** from your largest client?

 %

### (4) BUSINESS ACTIVITY

Please state the approximate percentage of Gross Commission / Fee Income from each heading below, relating to your **Last Financial Year**:

Private Motor	%	Reinsurance	%
Commercial Motor	%	Marine	%
Commercial Property	%	Aviation	%
Commercial Liability	%	Personal Accident / Travel	%
Household	%	Financial Services (Life, Mortgage Broking, Pensions & Investment Advice)	%
Professional Indemnity	%	Other (please provide details)	%
Directors' and Officers'	%		

Are the above percentages a fair representation of your Business Activity over the last 3 years?

Yes:

No:

In respect of the Firm's **Last Financial Year**, what was the approximate:

(a) renewal client retention ratio?

 %

(b) proportion of the total income derived from new clients?

 %

### (5) LARGEST AND TYPICAL COMMERCIAL CLIENTS

Please state the three largest placements arranged by the Firm, **based on premium income**, in your **Last Financial Year**:

	Name of Client	Industry	Material Damage (inc. Business Interruption)		Liabilities
			Total Sum Insured	Max. possible loss at any one location	Total Limit of Indemnity
(1)			£	£	£
(2)			£	£	£
(3)			£	£	£

(a) What is the Industry of your typical commercial client?

(b) What is the approximate typical **Material Damage** Sum Insured for such clients in (a) above?

 £

(c) What is the typical **Liability** Sum Insured for such clients in (a) above?

 £

(d) What is your approximate total Commission / Fee Income from such clients in (a) above, as a percentage of the Firm's **Last Financial Year's** Income (not including your 3 largest clients) ?

 %

## (6) FRAUD AND DISHONESTY

- |                                                                                                                                             |                                          |                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------|
| (a) Has the Firm sustained any loss through the fraud or dishonesty of any individual during the last 6 years?                              | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (b) Is any one person authorised to sign cheques or make BACS transfers on their sole signatory?                                            | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (c) Are all premium settlements reconciled at least monthly against bank statements, independently of Employees authorised to sign cheques? | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| (d) Does the Firm obtain satisfactory written references before engaging any Employee responsible for accounts or premium settlement?       | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| (e) Are the Firm's accounts audited annually by an Accountant or Auditor?                                                                   | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |

## (7) RISK MANAGEMENT, CONTROLS AND OVERSIGHT

- |                                                                                                                                                                                 |                                          |                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------------------|
| (a) Are any Employees of the Firm remunerated on a commission-only basis?                                                                                                       | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (b) Does the Firm arrange insurances with Insurers/Underwriters operating outside of the U.K.?                                                                                  | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (c) Does the Firm hold any Binding Authorities with any Insurer?                                                                                                                | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (d) Does the Firm ever complete proposal forms on behalf of any clients?                                                                                                        | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (e) Does the Firm have any on-line facilities with Insurers for arranging insurance contracts or issuing policies and/or schedules?                                             | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (f) Does the Firm have any on-line facilities where clients may arrange their insurances directly?                                                                              | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (g) Does the Firm arrange insurances with any Underwriting Agency?<br>If YES, has the validity of their Authority been checked?                                                 | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| (h) Does the Firm have an operational Office Procedures Manual?                                                                                                                 | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| (i) Does the Firm have formal procedures in place for:                                                                                                                          |                                          |                                         |
| Reviewing the financial security of Insurers with whom it transacts business?                                                                                                   | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| Triggering the renewal process for held clients?                                                                                                                                | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| Issuing and checking Cover Notes, Policy Documentation and Certificates of Insurance?                                                                                           | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| Handling client complaints, of which all staff are aware?                                                                                                                       | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| Ensuring Underwriter subjectivities and premium warranties are dealt with in good time?                                                                                         | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| (j) Are regular file audits undertaken, including files of the Partner(s)/Director(s)/Principal?<br>If YES, who normally undertakes the file audits, and how frequent are they? | Yes: <input type="checkbox"/>            | No: <input checked="" type="checkbox"/> |
| <input style="width: 300px; height: 20px;" type="text"/>                                                                                                                        |                                          |                                         |
| (k) Has the Firm won, or been nominated for, any Industry awards?<br>If YES, please provide details:                                                                            | Yes: <input checked="" type="checkbox"/> | No: <input type="checkbox"/>            |
| <input style="width: 450px; height: 20px;" type="text"/>                                                                                                                        |                                          |                                         |

## (8) CURRENT INSURANCE ARRANGEMENTS & QUOTATION REQUIRED

Please state the Firm's current:

Insurance Broker:	
Insurer:	
Renewal Date:	

Level of Indemnity required:    (a) £1,500,000     (b) £2,000,000     (c) Other (*please specify*)    £  m

## (9) CLAIMS AND CIRCUMSTANCES

It is essential that the following questions are answered accurately. Failure to do so may prejudice the Firm's rights under any insurance contract effected with Insurers.

In the last 6 years, in respect of **ANY** of the risks to which this proposal relates:

- (a) Has any claim been made (whether successful or not) against the Firm? Yes:  No:
- (b) Has any loss been suffered by the Firm? Yes:  No:

If YES to either (a) or (b) above, please provide full details, including the amounts involved:

Year of Claim	Amount of Claim Paid	Insurer Reserve (if still outstanding)	Policy Excess Paid	Brief details of the Allegations against the Firm

- (c) **AFTER FULL ENQUIRY** within the Firm, is there any known circumstance(s) which may:
- Give rise to a claim against, or cause loss to, the Firm, any predecessor, or any past or present Partner(s)/Director(s)/Principal? Yes:  No:
- Otherwise affect Insurers' consideration of this Proposal for Professional Indemnity Insurance? Yes:  No:

## (10) MATERIAL FACTS

- (a) Has any Professional Indemnity Insurer ever cancelled, declined, refused to renew, or required an increased premium, or imposed special (punitive) policy terms and conditions? Yes:  No:
- (b) Are there any other material facts or anticipated significant changes relating to your Business Activities of which Insurers should be aware? Yes:  No:

## DECLARATION

I/We declare that the above statements and particulars contained herein, together with any other information supplied/attaching to this Proposal Form, are true and I/we have not suppressed or misstated any material facts. I/We agree that this declaration shall form the basis of any contract between the Firm and Insurers, and I/we undertake to inform Insurers of any material alteration to these facts, which may occur before any Contract of Insurance is effected. I/we understand the continual duty to disclose any material changes to Insurers.

Signature:

(Please circle title of signatory): ( Partner / Director / Principal / Officer )

Print Name:

Email Address:

Date:

Name of Professional Indemnity Insurance Contact (if different to the above signatory):