



**INSURANCE BROKERS**

**INTERMEDIARIES**

**PROFESSIONAL INDEMNITY INSURANCE**

**PROPOSAL FORM**

*for*

**Insurance effected through Williams Insurance Management Limited**

**15 St Mary at Hill, London EC3R 8EE**  
**Tel: 0203 058 1095 Fax: 0870 4585881**  
**E-mail: [info@wimsure.com](mailto:info@wimsure.com)**

**Registered Office: as above Registered in England: 4851546**  
**Authorised and regulated by the Financial Conduct Authority**

## **IMPORTANT NOTICE**

**This proposal must be completed and signed by a Principal, Partner or Director of the Proposer. The person completing and signing the form should be authorised by the Proposer to do so and should make all necessary enquiries of his fellow Partners, Directors and Employees to enable all the questions to be answered.**

**All questions must be answered to enable a quotation to be given.**

**Completing and signing this proposal does not bind the Proposers or Underwriters to enter a contract of insurance.**

**If there is insufficient space to answer questions, please use an additional sheet and attach it to this form (please indicate section number).**

## **E.U. DISCLOSURE CLAUSE (UK)**

**ONLY APPLICABLE TO PRIVATE INDIVIDUALS AND SOLE TRADERS, WHERE THERE IS A LLOYD'S PARTICIPATION IN THE INSURANCE PLACEMENT.**

Notice to the Proposer/Assured.

The Parties are free to choose the law applicable to this Insurance Contract. Unless specifically agreed to the contrary this insurance shall be subject to English Law.

Any enquiry or complaint should be addressed in the first instance to your Broker.

If you are not satisfied with the way a complaint has been dealt with you may ask the Complaints and Advisory Department at Lloyd's to review your case without prejudice to your rights in law. The address is:

Complaints Department  
Lloyd's,  
One Lime Street, LONDON EC3M 7HA Telephone 020 7327 5693.

LSW 1002 (02/99) (amended).

# Professional Indemnity Proposal Form for Insurance Brokers

## 1. Details of The Firm(s)

Name(s) under which business is conducted

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Principal Address

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Telephone Number.

Fax Number:

E- Mail:

Website:


Address 2 (if applicable)

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Telephone Number.

Fax Number:

E- Mail:

Website:


## 2. Details of The Business

Please give the following details of all Partners/Directors/Principals of the Firm

Name	Qualifications	Date Qualified	Length of time as Partner/Director/Principal

Is coverage required for any Partner or Director or Principal for any former Firm?

Yes  No

If "Yes", please provide details:

Full Name	Former Name	Period with Former Firm	Position Held

Please categorise staff other than Partners/Directors/Principals and explain the nature of their work:

Categories of Staff	Number	Nature of Work
Qualified		
All Others		
Self Employed		

Annual average percentage rate of staff turnover in last five years \_\_\_\_\_ %

During the past 6 years has the name of the Firm(s) been changed or has any amalgamation take over taken place?

Yes  No

If "Yes", please provide details on a separate sheet

### 3. Appointed Representatives

Does the Firm have any Appointed Representatives?

Yes  No

If "Yes" please complete the attached Supplementary Questionnaire.

### 4. Professional Bodies

Please indicate the Professional Associations of which the business is a member

FSA  FSA Reg No. \_\_\_\_\_

IIB  Other, please provide details

BIBA

AIFA

Lloyd's Accredited Broker

**5. Business Activities**

Please state in the columns provided the gross fees / commission (GB) for the last 3 years **including income derived from appointed representatives**

	20	20	20
Fee Income	GBP	GBP	GBP

Financial Year End Date \_\_\_\_\_

Please state estimated fee income for the next financial year GBP \_\_\_\_\_

Please state in the columns provided the geographical percentage split of fee / commission income for the last complete financial year and an estimate for the next financial year:

In respect of work done:	A (Last Year) GBP	B (Estimate) GBP
(i) in the United Kingdom ( <i>excluding (iii) below</i> )		
(ii) in the USA and its territories and possessions or Canada		
(iii) in the UK or elsewhere ( <i>excluding (ii) above</i> ) for persons, companies, firms or organisations having an address in the USA and its territories and possessions or Canada		
Elsewhere ( <i>please state countries and amounts involved on practice letterhead</i> )		

Please provide an estimate of the percentage of total annual fees for the last complete financial year from the following categories:

Personal Lines (excluding motor)	%	Commercial Motor Individual Fleet	%
Private Motor	%	Private Marine/Aviation	%
Commercial Lines (excluding motor)	%	Commercial Marine/Aviation	%
Reinsurance	%	Mortgages	%
PHI/Medical	%	Building Society Agency	%
Professional Indemnity Insurance	%	Other – Please Specify	%
Financial Services Activities excluding Mortgage and General Insurance Activities	%		
			100%

If any income is received in respect of Financial Services, or cover is required for past activities, please complete the attached Supplementary Questionnaire.

Is the work split above representative of the Firm's make up over the previous three years?

Yes  No

If "No" please provide details

Are there any substantial changes in the amounts shown above anticipated during the next twelve months?

Yes  No

If "Yes" please provide a detailed explanation

For any of the categories above, is more than 50% of the business placed with one insurer?

Yes  No

If "Yes" please provide details

Has the Firm placed any insurances with insurers or underwriters who do not operate in the UK or who are not regulated by the FSA?

Yes  No

If "Yes" please provide details

**6. Binding Authority**

Does the Firm operate any binding authority arrangement whereby an insurer or underwriter has granted the Firm authority to set rates, terms and conditions and/or handle claims without referral?

Yes  No

If "Yes", please complete the attached Binding Authority Questionnaire

**7. Largest Risks Placed**

If applicable, please state in the columns provided, the three largest sums insured that you have placed in respect of fire and perils insurance – i.e. material damage and business interruption insurances

Client	Risk	Sum Insured

If applicable please state in the columns provided, the three largest sums insured that you have placed in respect of public/products liability

Client	Risk	Sum Insured

**8. Risk Management**

When dealing with Quotations, Renewal Terms or mid-term increases in the limit of indemnity does the Firm always confirm in writing:

- a) the name of the recommended insurer  
Yes  No
- b) the security of the insurer  
Yes  No
- c) the details of cover  
Yes  No
- d) the period of insurance  
Yes  No
- e) the premium and IPT applicable  
Yes  No
- f) the period for which the Quotation is open for  
Yes  No
- g) confirmation of binding cover

Yes  No

h) the date from when cover starts

Yes  No

i) the length of any extension of period of insurance and any special terms imposed by any extension of period

Yes  No

Does the Firm operate a diary system with manual back-up?

Yes  No

Does the Firm offer and promote continuing training?

Yes  No

If "Yes" please provide details

Please provide details of the system of supervision of staff

Please confirm your disclosure of commission procedures

## 9. Risk Management

Has the Firm(s) sustained any loss through the fraud or dishonesty of any person?

Yes  No

If "Yes" please provide details

Is the Firm(s) aware of any allegation or occurrence of fraud or dishonesty at any time committed by any past or present partner, director or employee?

Yes  No

If "Yes", please give details and state the precautions taken to prevent a reoccurrence.



Does the Firm(s) always require satisfactory references or only when engaging senior employees?

Always  Senior Appointments Only

Nature of reference:

Written  Verbal

Is any employee allowed to sign cheques on his/her signature alone for values exceeding GBP 5,000?

Yes  No

If "Yes", please give details on a separate sheet

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

Weekly  Monthly  Quarterly  
 Other (Please Specify) \_\_\_\_\_

*Are client funds kept in a properly designated client account which is separate form the bank account of the Firm?*

Yes  No

#### 10. Previous Coverage

Please give details of previous Professional Indemnity Insurance carried during the past two years:-

Period	Insurer	Limit	Excess	Premium

Has any proposal for Professional Indemnity Insurance made on behalf of the Firm(s) or any predecessors in the business, or present partners/directors or principals ever been declined or has such insurance ever been cancelled or renewal refused or special terms imposed?

Yes  No

If "Yes", please advise reason(s)

What limit of indemnity is required?

£750,000  £1,000,000  £2,000,000 or more

IF in excess of £2,000,000 state amount: \_\_\_\_\_

What self-insured excess is required?

£1,000  £5,000  £10,000  £25,000  £50,000  £100,000  £250,000 or more

(Underwriters require minimum excesses, depending on size and type of work undertaken)

### 11. Claims History

Has any claim been made against the business or an employee of the business or any partner, director or consultant of their predecessors in business during the last ten years in respect of the type of liabilities to which this proposal relates?

Yes  No

If "Yes" please give details

Date of Claim	Brief Details	Amount of Claims Paid £	Reserves Outstanding £

Has any action been taken to prevent a recurrence of a claim?

Yes  No

If "Yes" please give details  
If "No" why not?

After enquiry, are any of the business partners, directors or employees aware of any claim pending or any circumstance, which may give rise to a claim against the business or any of the present or previous partners or directors of the business?

Yes  No

If "Yes" please give details

Have present or previous insurers been notified of all claims including requests for a pension review and all circumstances which may give rise to claims?

Yes  No

If "Yes" please give details

Have any disciplinary proceedings been brought by a regulatory or professional body against the business, any employee, self-employed consultant or any partner or director or their predecessors in business during the last 10 years?

Yes  No

If "Yes" please give details

SIGNING THIS PROPOSAL DOES NOT BIND THE PROPOSER TO COMPLETE THIS INSURANCE

**Declaration**

I/We declare that the statements and particulars in this proposal are true and that no material facts have mis-stated or suppressed after enquiry. I agree that this proposal, together with any other information supplied shall form the basis of any contract of insurance effected thereon. I undertake to inform the Insurers of any material alteration to those facts occurring before the completion of the contract of insurance.

Signed \_\_\_\_\_

Title \_\_\_\_\_

(to be signed by Partner/Director or Principal or equivalent)

Firm(s) \_\_\_\_\_

Date \_\_\_\_\_

**Please enclose with this Proposal Form**

Binding Authority Questionnaire (if applicable)

Appointed Representatives Questionnaire (if applicable)

# Binding Authority Questionnaire

**Name of Firm**

Does the firm have the liberty to set rates, terms and conditions within guidelines contained within the authority.

Yes/No

Alternatively, does the firm have liberty to set rates, terms and conditions without guidelines?

Yes/No

Does the firm have Claims handling/settlement authority?

Yes/No

If so, please detail any limitations:

Date Authority(ies) commenced:

\_\_\_\_\_

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

Give maximum Underwriting limits for each class:

Class	Limit

Origins of business accepted:

UK	Yes/No
Europe	Yes/No
USA/Canada	Yes/No
Elsewhere	Yes/No

Describe the normal manner in which business is accepted:

Is the Binding Authority:

(please choose **one** of the following options)

Non-discretionary with no deviation from the Binding Authority in respect of the type of risks, the rates, the period of insurance or the policy wording applicable, as specified in the Binding Authority	Yes/No
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Non-discretionary with no deviation from the Binding Authority in respect of the type of risk, the period of insurance or policy wording applicable but with a limited amount of deviation permissible to the extent of discounts or loadings specifically outlined within the Binding Authority?	Yes/No
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Non-discretionary with no deviation from the Binding Authority in respect of the type of risk and wording applicable but deviation permissible in respect of the period of insurance or non-specified discounts or loadings?	Yes/No
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Discretionary Binding Authority with no limits in respect of the type of Risk, relating, wording or the period of insurance?	Yes/No
--	--------

Does the Firm in its own right handle the placing of any Reinsurance protection on behalf of those Insurers for whom they accept risks under the above Authority(ies)?	Yes/No
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If "Yes", please supply details and commission earned in the last twelve months.

Please give total premium income for:

Past Financial Year  
GBP \_\_\_\_\_

Current Financial Year  
GBP \_\_\_\_\_

Next Financial Year (estimate)  
GBP \_\_\_\_\_

Please give commission/fees/earnings for:

Past Financial Year  
GBP \_\_\_\_\_

Current Financial Year  
GBP \_\_\_\_\_

Next Financial Year (estimate)  
GBP \_\_\_\_\_

Is there any restriction in the Authority(ies) as to whom within the Firm may accept risks? Yes/No

Does the Firm delegate their authority to any third party? Yes/No

Please provide the following details in respect of all persons engaged in the acceptance and binding of tasks under the Authority(ies).

Name	Position (and details of previous experience if performing this duty for less than 3 years)

This questionnaire forms an integral part of the proposal form dated \_\_\_\_\_

Signature of Partner/Director/Proprietor \_\_\_\_\_

Please print name of Signatory \_\_\_\_\_

# Appointed Representatives Questionnaire

**Name of Firm**

Number of appointed representatives used on an annual basis? \_\_\_\_\_

What is the annual brokerage income you received from this? GBP \_\_\_\_\_

In respect of the above, do you have a written agency agreement in place with each appointed representative?

Yes  No

If "Yes"

Does the agency agreement retain subrogation rights?

Yes  No

Does the agency agreement hold you harmless?

Yes  No

Do you ensure that each appointed representative has adequate professional indemnity insurance in place?

Yes  No

Prior to placing business on behalf of an appointed representative do you check to ensure that they have the necessary expertise to deal with the client and fully explain insurance in question?

Yes  No

Do you regularly audit each appointed representative to ensure that they are acting in a professional and correct manner?

Yes  No

If you are not satisfied that the appointed representative had the necessary expertise to deal with the risk would you act on their behalf?

Yes  No



Do you check to ensure that each appointed representative has adequate systems in place to prevent any dishonest or fraudulent act?

Yes  No

If you were not satisfied with the systems in place would you act on behalf of the appointed representative?

Yes  No

Do you check to ensure that the appointed representative has ever sustained any loss for fraud or dishonesty?

Yes  No

If "Yes"

Would you act on behalf of an appointed representative who has sustained a loss for fraud or dishonesty?

Yes  No

Do you check the professional indemnity claims experience of each appointed representative prior to placing business on their behalf?

Yes  No

If "Yes"

Would you place business on behalf of any appointed representative if their professional indemnity claims experience was poor?

Yes  No

**Declaration**

For and on behalf of the Practice:

Signature of Partner/Director \_\_\_\_\_

Please print Partner's name \_\_\_\_\_

Date \_\_\_\_\_