



PROFESSIONAL INDEMNITY INSURANCE PROPOSAL FORM FOR MERCIA MEMBERS (5+ partners)



INSTRUCTIONS

Please provide a full answer to every question. Please ensure that all answers are typewritten or printed in block letters within the spaces provided. A principal of the practice must sign and date this form and any separate sheets.

1 PRACTICE DETAILS

Practice name (please include all names under which you practice)

Main office address (list any branch offices on a separate sheet)

Postcode

Main office telephone number

Main office fax number

Date established

Contact e-mail address

2 PARTNERS / DIRECTORS / MEMBERS

Please advise the following (including details of sole practitioner).

Name of all Partners/Directors/Members	Age	Qualifications	Date Qualified	How long as Partner / Director / Member of the Firm(s)

PLEASE LIST ANY ADDITIONAL PARTNERS / DIRECTORS / MEMBERS ON A SEPARATE SHEET

3 STAFF DETAILS

Please advise total number of staff excluding Partners / Directors / Members:

Professionally qualified

Unqualified Assistants

All Others

Name of all Consultants	Age	Qualifications	Date Qualified	How long as Consultant of the Firm(s)

4 SUB CONTRACTORS

Is cover required for any independent Accountant to whom work is sub-contracted?
If 'Yes', please state

Yes No

Name	Qualifications	Fees paid (Last Financial Year)	Does the Sub-Contractor hold their own PI Insurance?

5 YOUR PRACTICE

Is the Firm(s) admitted to membership of any Association
(such as any Accountancy Tuition Services etc)? If 'Yes', please give details.

Yes No

Has any person in the Firm(s) been subject to disciplinary proceedings by the Institutes Disciplinary Committee or
any other relevant body? If 'Yes', please give details.

Yes No

Does the Firm(s) undertake work for any partnership, company or organisation in which any Partner / Director /
Member hold a position whereby he is able to make major policy decisions on behalf of such partnership, company
or organisation.

Yes No

If 'Yes', please give details

Please provide description of main client trades and professions

6 GROSS FEE INCOME

Please give the total gross fee income for the last five years

	Last Financial Year	Year Ending ____	Year Ending ____	Year Ending ____	Year Ending ____
Total Gross Fees	£	£	£	£	£
Largest Fee from any one client or group	£	£	£	£	£
Average Fee per client or group	£	£	£	£	£

Please state financial year end date

Estimated Income for current year

£

7 SPLIT OF WORK

Please provide details for the last available Financial year.

(this division to be approximate only, as there may be considerable overlap between the types of work)

1	Audit, Accountancy & Company Tax		%
	(i) Quoted Companies	%	
	(ii) Unquoted Companies	%	
	(iii) Others (including Farmers, Small traders etc.)	%	
2	Personal Taxation Only		%
3	Management Consultancy		%
4	Consultancy Only		%
5	Secretarial and Share Registration		%
6	Executorship and Trusteeship		%
7	Insolvencies, Liquidations and Receivership		%
8	Insurance, Building Society, Stock Exchange and Investment Commissions		%
9	Directorships		%
10	Computer Consultancy – please give full details on a separate sheet		%
11	Corporate Finance		%
12	Mergers, Acquisitions, Disposals		%
13	Any other work		%

For any activities where you have answered 'Nil', please give details if you have been engaged in such work in the last 6 years

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Are any substantial changes in the above percentages or are any major operations envisaged during the forthcoming year? If 'Yes', please give details.

Yes

No

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Please give 'split' of fees for the last financial year between:

	No of Clients	Total Fees
(a) Less than £15,000		£
(b) £15,000 to £40,000		£
(c) Over £40,000		£
(d) Totals		£

Type of business activities of your largest client

Please advise details of the income received (if any) from the following:

Private Client Portfolio Management (state whether discretionary)
Institutional Fund Management
Dealing in Securities (state how much represents foreign securities)
Off-Shore Investments (please give details)

£
£
£
£

Do you act as Auditors to any of the undermentioned? – If so, please provide client name(s), fee(s) and details of any other services provided in the box below:

Banks and other Financial Institutions? Yes No

Insurance Companies, Lloyds Syndicates or Funds (including captive Insurance Companies) Yes No

Any 'Off-Shore' Companies? Yes No

Have you undertaken any work for any client(s) in the Entertainment Industry where you have obtained an individual fee greater than £5,000 in any one Financial Year? Yes No

If 'Yes', please advise client name(s), nature of business, services provided and gross fees received.

8 OVERSEAS WORK

Have you undertaken any Overseas Work including the Channel Islands and the Isle of Man) during the past six years? Yes No

State gross fees received in past five years and estimate of fees for the forthcoming year

	Last Financial Year	Year Ending _____	Year Ending _____	Year Ending _____	Year Ending _____	Forthcoming Year
USA / Canada	£	£	£	£	£	£
Other	£	£	£	£	£	£

If any fees are declared above, please provide the following additional information for each individual client below, or on a separate sheet of paper if insufficient space: (Country Involved, Nature of Client, Work Undertaken, Fee Received, Is all work carried out in the UK and how did you obtain this client? (If your work is restricted to UK Tax for UK domiciled Clients re: Overseas Property Rentals then only brief details are required)).

Do you perform work for:

(i) British Companies with American subsidiaries or with assets in the USA? Yes No

(ii) USA based companies? Yes No

If 'Yes' to (i) or (ii), please provide the following additional information for each individual client, Nature of Client and business, Work undertaken and Fees received, is all work carried out in the UK and for what purposes is the work carried out.

Does the Company/Firm have any representation overseas? Yes No

If 'Yes', please give full details

Does your Firm do any work in the United Kingdom for any client who has any representation overseas (e.g. Work for a UK subsidiary of a USA parent). Yes No

If 'Yes', give full details and confirm that the work is done under UK Law and that the contract is with the UK client only.

9 TRUSTS

Does any Partner/Director/Member or employee of the Company/Firm act as a Trustee for any Trust(s)? Yes No
If 'Yes', please provide full details below.

Appointee	Trust	Nature of Trust	Trust Funds Under Management	Location from where Trust is administered	Fees Earned

Please provide details of the services provided by the Insured with full details of any management or discretionary powers

Are any of the above Partners/Directors/Members or Employees the sole Appointee of the Trust(s) Yes No

10 INVESTMENT BUSINESS

Is the firm authorised to conduct Investment business and/or Financial Services? Yes No

If 'Yes', please give details of your regulatory body.

11 FINANCIAL SERVICES

Have you or any firm you have acquired, ever carried out any regulated activities as defined in the Financial Services and Markets Act 2000 (other than in connection with general insurance products) as:

(a) Financial adviser; Execution only; Tied agent or appointed representative? Yes No

(b) Introductory agent only Yes No

If you have answered 'YES' to (a), please complete the enclosed Financial Services Questionnaire.

If you have answered 'YES' to (b) above please answer the following questions:

(i) Do you have any financial interest or controlling interest in the company that you are an introducer to? Yes No

(ii) Can you confirm that gross commission/fees received in any one of the last six financial years as introductory agent did not exceed £10,000 or 10% of your total fee income? Yes No

(iii) Can you confirm that you only introduce to an independent financial adviser who is authorised and regulated by the FSA? Yes No

12 RETROSPECTIVE RISK PROFILE

During the past six years, has the name of the Firm(s) been changed or has any amalgamation or takeover taken place or any Partners departed, retired or deceased? Yes No

If 'Yes', please give full details

Are there any predecessor Firms for which cover is required? Yes No

If 'Yes', please advise:

Name of Predecessor Firm	Date Established	Date of Cessation	Details of any claim against Predecessor

Is cover required for any Partner/Director/Member for his/her own liability prior to joining the Firm(s)? Yes No

If 'Yes', please advise:

Name of Partner / Director / Member	Name of previous Firm(s)	Date of leaving previous Firm(s)

13 FIDELITY

Do the Firm(s) always require satisfactory written references when engaging senior employees? Yes No

Is any Partner, Director, Member or Employee allowed to sign cheques on his signature alone? Yes No

If 'Yes', please describe circumstances and state limit:

Do all cheques for more than £25,000 require two signatures? Yes No

Are employees receiving cash/cheques in the course of their everyday duties required to pay in daily? Yes No

How often 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

14 RISK MANAGEMENT

Section 1

(a) What is the management structure of the Firm?

Managing Partner Managing Executive Management Committee Executive Committee

Other (please specify)

Have there been any material changes in the management structure within the last three years? Yes No

(b) If the Firm is managed by a committee, does this committee meet on a regular or ad-hoc basis? Regular Adhoc

(c) Does the Firm employ a full time non-accountancy administrator? Yes No

(d) Does the Firm designate or employ an individual with management responsibility for evaluating or dealing with complaints, actual or potential claims and other such matters? Yes No

Section 2

- (a) Does the Firm have written risk management procedures? Yes No
- (b) Are risk management procedures regularly reviewed, circulated and/or discussed within the Practice and have all Accountants been made aware of them? Yes No

Section 3

Does the Practice always use engagement letters? Yes No

If 'Yes' do the engagement letters outline:

The scope of services to be performed? Yes No

Any statement / assumptions upon which the engagement is based? Yes No

The responsibilities of the client? Yes No

Any limitations / restrictions in respect of any services performed? Yes No

Does the client sign the letter of engagement? Yes No

Do you provide any advice or services, which fall outside the scope of the letter of engagement? Yes No

Section 4

(a) Do you have a written policy specifying the conflicts of interest procedures, which include a cross-check system and back up? Yes No

(b) In the event of a conflict of interest do you?
Inform the client in writing? Yes No

Advise the client to seek independent advice? Yes No

Continue to act for the client? Yes No

Section 5

Does the Practice have a policy, which requires prior approval in writing for an Accountant to serve as an Officer and/or a Director of a client or third party? Yes No N/A

Section 6

Does the Firm operate a diary system with manual back-up? Yes No

If 'Yes' please answer the following:

Are periodic checks made to ensure that the diary system is being strictly followed? Yes No

Does the diary system provide for accountants being absent or to ensure that deadlines are not missed? Yes No

Section 7

(a) Does the Firm have a file review system, which requires randomly selected files to be audited by an accountant other than the accountant handling the file? Yes No

(b) Does the file review system include Partner to Partner auditing? Yes No

Please provide any additional narrative in respect of your file review system to the above two questions which will assist Insurers understanding of the file review system currently being used.

Section 8

Does the firm offer and promote continued training? Yes No

15 CLAIMS AND CIRCUMSTANCES

IF INSUFFICIENT SPACE IS PROVIDED BELOW, PLEASE USE A SEPARATE SHEET.

Has the Firm(s) sustained any loss through fraud or dishonesty of any person? Yes No

Does the Firm(s) know of any fraud or dishonesty at any time of any past or present Partner, Director, Member or Employee? Yes No

If 'Yes', to either of the above, provide details and state the precautions taken to prevent recurrence:

After **FULL ENQUIRY** are you aware of any claim against the Firm(s) or its predecessors in business of the present of former Partners? If 'Yes', please give full details. Yes No

What action has been taken to prevent a recurrence of the situation, which gave rise to each claim?

Are any of the Partners, Directors, Members or employees **AFTER ENQUIRY**, aware of any circumstances, allegations or incidents which may give rise to a claim against the Firm(s) or its predecessors in business or any of its present of former Partners / Directors/Members? Yes No

If 'Yes', give full details of circumstances and amounts involved.

Has any proposal for similar insurance made on behalf of the Firm(s) or their predecessors in business or any of the present Partners, Directors, Members ever been declined or has any such insurance cover been cancelled or renewal refused? If 'Yes', please give full particulars Yes No

16 CURRENT INSURANCE AND FUTURE REQUIREMENTS

Please advise details of your present insurance.

DO NOT COMPLETE THIS QUESTION IF YOU ARE ALREADY A CLIENT OF SBJ PROFESSIONAL

Renewal Date	
Insurer	
Broker	
Limit of Indemnity	£
Excess	£
Premium	£

Please advise your requirements

Limit of Indemnity	£
Excess	£

CONFIRMATION

Disclosure of Material Facts

It is essential that every Proposer or Insured when seeking a quotation, taking out or renewing an insurance, reveals to the prospective Insurers any material facts or information (including any material circumstances or change in circumstance) which might influence the judgement of Insurers in fixing the premium or in determining whether they will accept the risk. Failure to do so may render the contract of insurance voidable from inception at the option of the Insurers and enable them to repudiate liability thereunder. If you have any doubt as to what constitutes a material fact or circumstance, seek our advice.

I declare that the above statements and particulars are true, full enquiry having been made, and I have not omitted, suppressed or mis-stated any material facts and undertake to inform the Insurer of any change to any material fact. I understand that the information I provide will be used in deciding the price charged by the Insurer for the risk and whether the Insurer will accept the application. I further agree that this declaration, together with any other information provided shall be the basis of any contract between me and the Insurer.

A copy of this proposal should be retained by you for your own records

THIS FORM MUST BE SIGNED BY A PRINCIPAL OF THE FIRM

Signature: _____

Date: _____

Print name: _____

Position: _____

Please return this Application Form along with any other supplementary information sheets to the address detailed below:-

SBJ Professional | Castlemead | Lower Castle Street | Bristol | BS1 3AG
T: 0117 929 3344 | F: 0117 925 1594 | E: enquiry@sbj-pi.com | W: www.sbj-pi.com

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ACCOUNTANTS FINANCIAL SERVICES QUESTIONNAIRE

If you have answered 'Yes' to Question 11 of the main Proposal Form, please complete the attached Questionnaire.

YOUR DETAILS

Practice name (please include all names under which you practice)

Do you presently carry out any regulated activities, as defined in the Financial Services and Markets Act 2000, or act as an introducer in respect of such regulated activities? Yes No

If 'No', have you at any time in the past carried out any such regulated activities or acted as an introducer in respect of such regulated activities? Yes No

If 'Yes', please advise the date you ceased to conduct the regulated activities and the reasons for doing so:

Have you purchased or acquired any other firm or book of business where you have assumed any liability for any such regulated activities, carried out prior to the acquisition date? Yes No

If you have answered 'No', to all of the above questions, there is no need to answer any further questions. Please now sign and date the declaration. Otherwise please complete the remaining questions.

GENERAL INFORMATION

Are you directly regulated by the Financial Services Authority? Yes No

Are you regulated or authorised by any other professional body to carry out any regulated activities? If 'Yes, please provide the name of the professional body Yes No

Have you at any time operated:

A financial services company? Yes No

A financial services division Yes No

With someone specifically employed to provide financial services? Yes No

YOUR FEE INCOME

Provide details of your gross income (commission/brokerage/fees) received from regulated activities in the last six financial years and your estimated income for the forthcoming year:

	Year / /	Year / /	Year / /	Year / /	Year / /	Year / /	Forthcoming Year (Est)
Gross Income	£	£	£	£	£	£	£

YOUR BUSINESS ACTIVITIES

Please advise in which capacity you acted. (If more than one area applies, please provide an approximate percentage split):

Financial adviser % Execution only %

Introductory agent only % Tied agent or appointed representative %

Have you at any time acted as an introducer of, advised on or sold any split capital closed end fund or zero dividend preference share or any unit trusts where the portfolio composition consists of a split capital closed end fund or zero dividend preference share? Yes No

If 'Yes', please advise:

	Number	Average Value	Maximum Value
Split capital closed end fund or zero dividend preference shares		£	£
Unit trusts where the portfolio composition consists of a split capital closed end fund or zero dividend preference share:		£	£

Have you at any time acted as an introducer of, advised on or sold any endowment linked mortgages? Yes No
If 'Yes', please advise:

	Number	Average Value	Maximum Value
1988-1994	<input type="text"/>	£ <input type="text"/>	£ <input type="text"/>
1995-1998	<input type="text"/>	£ <input type="text"/>	£ <input type="text"/>
1999-present	<input type="text"/>	£ <input type="text"/>	£ <input type="text"/>

Have you at any time acted as an introducer of, advised on or sold any free-standing additional voluntary contributions? (FSAVC's). If 'Yes', please advise: Yes No

Total number of cases

Total number of cases reviewed (as stipulated by FSA)

Number of cases where compensation is due or paid

Number of cases where no compensation due

Number of cases where the review is incomplete

Have you at any time acted as an introducer of, advised on or sold any pension transfers, opt outs, non-joiners between April 1988 and June 1994? If 'Yes', please advise: Yes No

Total number of cases where compensation was due / paid

Total amount of compensation due / paid £

Have you at any time acted as an introducer of, advised on or sold any other pensions, annuities, income drawdowns or equity release products? If 'Yes', please advise: Yes No

Total number of cases

Total gross fees received £

Please give a brief description of any other regulated activity, not specifically declared in this questionnaire or proposal, carried out by you in the last three years:

CONFIRMATION - THIS FORM MUST BE SIGNED BY A PARTNER OR PRINCIPAL OF THE FIRM

Disclosure of Material Facts

It is essential that every Proposer or Insured when seeking a quotation, taking out or renewing an insurance, reveals to the prospective Insurers any material facts or information (including any material circumstances or change in circumstance) which might influence the judgement of Insurers in fixing the premium or in determining whether they will accept the risk. Failure to do so may render the contract of insurance voidable from inception at the option of the Insurers and enable them to repudiate liability thereunder. If you have any doubt as to what constitutes a material fact or circumstance, seek our advice.

I declare that the above statements and particulars are true, full enquiry having been made, and I have not omitted, suppressed or mis-stated any material facts and undertake to inform the Insurer of any change to any material fact. I understand that the information I provide will be used in deciding the price charged by the Insurer for the risk and whether the Insurer will accept the application. I further agree that this declaration, together with any other information provided shall be the basis of any contract between me and the Insurer.

A copy of this proposal should be retained by you for your own records.

Signature: _____

Date: _____

Print name: _____

Position: _____

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