

Professional Indemnity Insurance for Insurance Brokers and Intermediaries

Proposal Form

Important Notice

1. This is a proposal for a contract of insurance, in which 'Proposer' or 'you/your' means the individual, company, partnership, limited liability partnership, organisation or association proposing cover.
2. This proposal must be completed in ink, signed and dated. All questions must be answered to enable a quotation to be given but completion does not bind you or Underwriters to enter into any contract of insurance. If space is insufficient to answer any questions fully, please attach a signed continuation sheet. You should retain a copy of the completed proposal (and of any other supporting information) for future reference.
3. All facts material to the proposed insurance must be disclosed, fully and truthfully to the best of your knowledge and belief. Failure to do so may make the contract of insurance voidable or severely prejudice your rights in the event of a claim. A material fact is one likely to influence Underwriters' assessment or acceptance of the proposal; if you are uncertain what may be a material fact, you should consult your broker.
4. You are recommended to request a specimen copy of the proposed policy wording from your insurance broker and to consider carefully the terms, conditions, limitations and exclusions applicable to the cover.

1. General Information

a. Name of Business or Practice (Assured):

b. Address of Registered or Principal office:

c. Telephone Number:

d. Fax number:

e. Email address:

f. Website address:

g. Date when the Business or Practice was first established:

2. Has the Business or Practice been established for at least three years and are at least 50% of all directors, partners, principals and consultants suitably qualified or have at least three years relevant experience? Yes No

a. Please provide the details below of Principals / Partners / Directors:

Full Name	Qualifications	Date Qualified	No. of years as Partner / Principal / Director of this firm	How long a Partner / Principal / Director of previous firm

b. What is the total number of:

i. Directors, Partners and Principals:

ii. Consultants

iii. Qualified Staff:

iv. Unqualified Staff:

3. Can you confirm that all offices of the Business or Practice are under the day to day control and supervision of a director, partner or principal? Yes No

If NO please answer the following questions:

a. Location(s) of such offices:

b. Name of person(s) in charge of such offices:

c. Qualifications of such persons and date obtained:

d. How long have they been with this business or practice and their previous experience:

4. Can you confirm that none of the directors, partners, principals or consultants of the Business Practice are connected or associated (financially or otherwise) with any other firm, company or organisation for which the Business or Practice does work? Yes No

If NO please provide full details:

5. What are your gross income/fees for your last complete financial year emanating from each of the following geographical areas?

Territory	Received and rendered during the last 12 months	Estimate for ensuing 12 months
Malaysia	RM	RM
USA / Canada	RM	RM
Rest of the World (Please specify territory)	RM	RM
Total	RM	RM

6. Select which of the following activities apply to your business and provide a percentage breakdown of your gross income/fees against each category for your last complete financial year (% of Income/Fees):

Type of Work	Percentage (%)
Pensions, Endowments, Life Assurance, Mortgages (if any income is derived from these activities please submit a Financial Services Questionnaire)	
Personal Lines Insurance (excluding Motor)	
Commercial Insurance (excluding Motor)	
Motor (Insurance)	
Personal Health Insurance/Medical Insurance	
Fire	
Aviation	
Liability	
Marine: a) Hull b) Cargo	
Others (Please specify)	
Total	100%

7. Can you confirm that you do not derive any income from the following activities?

- a. Private Client Portfolio Management
- b. Institutional Fund Management
- c. Investment in Unit Trusts or Insurance Bonds
- d. Dealing in Listed, Unlisted UK or Foreign Securities
- e. Dealing in Bonds (e.g. Eurodollar), or Commodities

- f. Investment in Tangibles (e.g. coins, gems, fine art buildings etc)
- g. Mergers and Acquisitions
- h. Corporate Finance including Leasing Investment Schemes
- i. Business Expansion Scheme Placings
- j. Accountancy, Taxation

Yes No

If NO please answer the following question:

Please provide full details in respect of each activity including

- i. A percentage breakdown of your fee income (in respect of your financial year) for each appropriate activity both as Agent and also as Manager:
- ii. in respect of investment in insurance bonds and unit trusts, a breakdown between Onshore and Offshore:
- iii. in respect of dealing in commodities & / or tangibles, institutional fund management or private client portfolio management, the average investment and the largest investment:
- iv. in respect of private client portfolio management, details of any on a discretionary basis including a copy of the contract used:

8. Can you confirm that you do not arrange insurance:

- a. where the contract of insurance is issued outside of the United Kingdom
- b. with companies who are not authorised insurers within the meaning of the Insurance Companies Act
- c. with insurers or underwriters who do not operate within the UK or who are not members of the ABI or Lloyd's

Yes No

If NO please provide full details:

9. Can you confirm that you do not:

- a. hold any "delegated authority" or "binding authority" from any Insurance Company, Lloyd's Underwriter or Insurer or Reinsurer, which enables you to underwrite risk or settle claims on behalf of such parties?
- b. Arrange any liability insurance where the limit of indemnity / liability is in excess of RM25,000,000 (or equivalent local currency)?
- c. Arrange any insurance where the property / business interruption sum insured is in excess of RM25,000,000 (or equivalent local currency)?

Yes No

If NO please provide full details, and if you hold a "delegated/binding authority" submit a Binding Authority Questionnaire

10. Please indicate the professional / regulatory bodies you are a member of / authorised by:

11. Can you confirm that:

- a. you do not anticipate any major changes in your activities in the forthcoming twelve months?
- b. there have not been any fundamental changes in your activities over the last five years?
- c. your total fee income from each of your last three financial years and your estimated fee income from your current financial year does not vary from one successive year to another by more than $\pm 25\%$?
- d. you are not currently nor have been in the past the subject of any disciplinary or regulatory investigation(s) or action(s) by or on behalf of any professional and/or regulatory body?

Yes No

If NO please provide full details:

12. Can you confirm the following 'good practice'?

- a. satisfactory written references are always obtained from former employers for the three years immediately preceding the engagement of any employee responsible for money, accounts or goods
- b. all cheques drawn for more than RM5,000 require two signatories

- c. you do not have the authority to sign cheques on behalf of your clients
- d. cash in hand and petty cash are checked independently of the employees responsible at least monthly and additionally, without warning, at least every six months
- e. bank statements, receipts, counterfoils and supporting documents are checked at least monthly against the cash book entries independently of the employees making cash book entries or paying into the bank
- f. employees receiving cash and cheques in the course of their duties are required to pay in daily
- g. employees are required to account for money received at least weekly

Yes No

If NO to any of the above please provide full details of your system:

13. Is cover required for Partners Previous Business?
(This extension of cover is not available where the Previous Business was Limited Liability Company)

Yes No

If YES provide the following information for each Partner/Principal for whom such cover is required for each Previous Business

- a. Name of Partner Principal:
- b. Name of Previous Business:
- c. Dates during which he or she was a Partner / Principal:
- d. Nature of work undertaken by Previous Business
- e. Reasons for leaving:

- f. Was there a dissolution agreement? Yes No

If YES **please provide a copy of the agreement**

- g. Were there any claims made against the Previous Business or were there any circumstances or incidents which may give rise to claim? Yes No

If YES please provide details

- h. Was the Previous Business at any time refused similar insurance or quoted increased

premiums or had special terms imposed?

Yes No

If YES please provide details

i. Is the Previous Business still in existence?

Yes No

14. Have you previously been insured or are you currently insured for the risks being proposed?
Yes No

If YES please answer the following questions:

a. What is the Retroactive Date of you current policy?

b. Who are your current insurers?

15. Are you able to confirm that:

a. no claims (successful or otherwise) have been made against you, your predecessors in business, or present or past directors, partners, principals or consultants to which this proposal relates, within the last 5 years?

b. neither you nor any of the past directors, partners, principals or consultants are aware (after having made full enquiries, including of all staff):

i) of any circumstances which may give rise to a claim against you, your predecessors in business or any past or present director, partner, principal or employee, and/or

ii) of the receipt of any complaints whether oral or in writing, regarding services performed or advice given by you?

c. neither you nor any of your predecessors have, at any time, been refused similar insurance, or quoted increased premiums or had special terms imposed?

Yes No

If NO to any of the above please answer the following question:

d. Please provide full details, including (if claims have been made against you within the last five years) whether or not such matters have been notified to current or previous insurers.

16. 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 details of cover

Yes No

- c. the period of insurance Yes No
 - d. the premium applicable Yes No
 - e. the period for which the quotation is open for Yes No
 - f. Confirmation of binding cover Yes No
 - g. the date from when cover starts Yes No
 - h. 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 backup? Yes No
- Does the firm offer and promote continuing training? Yes No

If Yes, please provide details:

17. What indemnity limit is required?

<input type="checkbox"/>	RM 500,000
<input type="checkbox"/>	RM 1,000,000
<input type="checkbox"/>	RM 2,000,000
<input type="checkbox"/>	RM 5,000,000
<input type="checkbox"/>	Other (please specify) RM

Data Protection Act 1998 – Consent to use of information

Underwriters will use the information provided herein to manage the insurance policy, including underwriting and claims handling. This may include disclosing it to other insurers, regulatory authorities or to Underwriter's agents providing services on their behalf.

In order to detect and prevent fraud Underwriters may at any time:

- a. Share information about the Proposer and/or its partners, principals, directors, officers and/or employees with other organisations and public bodies including the Police;
- b. Check and/or file the Proposer's and/or its partner's, principals', directors' and/or officers' details with fraud prevention agencies and databases and if Underwriters suspect fraud, Underwrites will record this.

Underwriters and other organisations may also search these agencies and databases to:

- i. Help make decisions about the provision and administration of insurance, credit and related services for the Proposer, its partners, principals, directors and officers;
 - ii. Trace debtors or beneficiaries, recover debt, prevent fraud and to manage the Proposer's accounts and insurance policies;
 - iii. Check identities to prevent money laundering;
- c. Undertake credit searches and additional fraud searches.

Underwriters can supply on request further details of the databases that they access or contribute to.

Declaration

We, the undersigned hereby confirm that we are duly authorised and do give consent to the use of information as set out in Section 17 above.

We also hereby declare that we are authorised to complete this proposal on behalf of the Proposer and that the statements and particulars in this proposal are true and complete and no material facts have been mis-stated or suppressed. We undertake to inform Underwriters of any material alteration or addition to these statements or particulars which occurs before the commencement of the period of insurance. It is hereby acknowledged and agreed that the terms conditions limitations and exclusions of the policy may be subject to alteration at anytime prior to the commencement of the period of insurance should any such material alterations or additions arise. Signing of this proposal does not bind Underwriters to offer nor the applicant to accept insurance, but it is acknowledged and agreed that this proposal (together with all documents accompanying it and any other information supplied by the Proposer or the partners, principals, directors and officers to Underwriters in connection with the policy) shall be the basis and form part of any such contract.

*Signed: _____

Name: _____

*Capacity: _____

Date: _____

*the signatory should be a director or senior officer of, or partner in, the Proposer.

N.B.

(a) Please submit a **Financial Services Questionnaire** if you have declared income under question 6(i)

(b) Please submit a **Binding Authority Questionnaire** if you have answered NO to question 9

(c) Please submit a copy of the **dissolution agreement** if you have answered YES to question 13.6

NOTICE TO THE PROPOSER

The Underwriters

The Underwriters will be either Markel International Insurance company Limited or Markel Syndicate 3000 at Lloyd's together with any other subscribing insurer(s). Prior to any placement being concluded, the Proposer will be advised which insurer(s) is / are to write this contract of insurance.

The Law of the Insurance Contract

The parties to this proposed insurance are free to choose the law applicable to the insurance contract. Unless specifically agreed otherwise with Underwriters, the proposed contract will be governed by English law.

Procedure for queries or complaints

Below are two complaints notices. If you are insured with Markel Syndicate 3000 at Lloyd's please follow the procedure set out in (1) below. If you are insured with Markel International Insurance Company Ltd, please follow the procedure set out in (2).

1. Markel Syndicate 3000 at Lloyd's

If at any time you have any questions or concerns regarding this Policy or the handling of a claim, you should in the first instance refer to your insurance broker or intermediary, if applicable. If your problem cannot be resolved in this way, please write to the Claims Manager, Professional Liability Division, Markel International Limited, The Markel Building, 49 Leadenhall Street, London, EC3A 2EA. We will then advise you of Markel's internal complaints handling procedure.

If you are still unable to resolve the situation and wish to make a complaint you can do so at any time by referring the matter to the Complaints Department at Lloyd's. Their address is Complaints Department, Lloyd's, One Lime Street, London, EC3M 7HA; Tel: +44 20 7327 5693 e-mail: Lloyds-Regulatory-complaints@Lloyds.com

Complaints that cannot be resolved by our internal complaints handling procedure or by the Complaints Department at Lloyd's may be referred to the Financial Ombudsman Services. Further details will be provided at the appropriate stage of the complaints process.

These complaints procedures do not effect your right to have recourse to legal action or to any other remedy available to you.

2. Markel International Insurance Company Ltd

If at any time you have any questions or concerns regarding this Policy or the handling of a claim, you should in the first instance refer to your insurance broker or intermediary, if applicable. If your problem cannot be resolved in this way, please write to the Claimant Manager, Professional Liability Division, Markel International Limited, The Markel Building, 49 Leadenhall Street, London, EC3A 2EA. We will then advise you of Markel's internal complaints handling procedure.

Complaints that cannot be resolved by our internal complaints handling procedure may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

These complaints procedures do not effect your right to have recourse to legal action or to any other remedy available to you.