



# Accountants Professional Indemnity Insurance

## Proposal Form

### ***IMPORTANT INFORMATION REGARDING COMPLETION OF THIS FORM***

#### **Method of Completion**

- This proposal form may be completed in ink or electronically and emailed or faxed to us, provided we ultimately receive an original signed and dated version prior to binding cover;
- All questions must be answered (if necessary comment as “not applicable” or “none”).

#### **Presentation**

- If there is insufficient space in the proposal form, or simply to provide underwriters with a better understanding of your experience, expertise or activities, please supply additional information on your letter headed paper;
- CV's of your principals/directors should be supplied if you have not previously been insured, or if any principal has been in their current position fewer than three years;
- Copies of your standard contract conditions, brochures or other marketing material should be supplied if this helps to describe the activities undertaken.

#### **Disclosure**

- You have a legal duty to disclose to insurers all material information which may affect their judgement in determining whether to provide you with insurance and if so on what terms. In the case of renewal of existing insurance arrangements, this includes any material changes to information already disclosed to insurers;
- If you are in any doubt as to whether or not information is material, you should disclose it, even if there is no specific relevant question in the proposal form;
- It is particularly important to disclose all potential professional negligence claims that may be made against you and to notify your current insurers of such matters as appropriate;
- Failure to disclose material information may give insurers the right to avoid any contract of insurance they may subsequently issue, with the consequence that you will not be protected for any claims notified under that insurance.

**ACCOUNTANTS PROFESSIONAL INDEMNITY INSURANCE PROPOSAL FORM**

1. **NAME(S) OF FIRM** (Please include the names any predecessors for which cover is required)

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2. **ADDRESS OF THE PRINCIPAL OFFICE** (Please list all other locations by Town, or Country if overseas, and identify the supervising Partner/Director at each location. (Please provide on appendix sheet if required).

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|                        |  |                         |  |
|------------------------|--|-------------------------|--|
| <b>Partner Contact</b> |  | <b>Telephone Number</b> |  |
| <b>E-Mail</b>          |  | <b>Fax Number</b>       |  |
| <b>Web address</b>     |  |                         |  |

3. **DATE THE FIRM WAS ESTABLISHED**

|  |
|--|
|  |
|--|

4. **PARTNERS/DIRECTORS/SOLE PRACTITIONERS & CONSULTANTS:-**

| Names of:                                    |                |                | Number of Years<br>as Partner/Director/<br>Sole Practitioner<br>with the Firm |
|--|----------------|----------------|---|
| a) Partners/Directors/<br>Sole Practitioners | Qualifications | Date Qualified |   |
| b) Consultants                               |                |                |   |
| a)   |                |                |   |
| b)   |                |                |   |

5. **NUMBER OF STAFF:-** (Not including the above)

| Qualified Staff | Other<br>(i.e. Admin Staff) | Self employed /<br>Contract Hire Persons | Total |
|-----------------|-----------------------------|--|-------|
|                 |                             |  |       |

6. **RECENT CHANGES?** – During the last six years, has the name of the of the Firm(s) changed or has any amalgamation or acquisition taken place, or have there been changes of Partners/Directors? (i.e. departed, retired or deceased etc.)

YES  NO

If “YES”, please give details below:-

7. **ASSOCIATIONS** – Is the Firm(s) admitted to membership of any Association or Group?

YES  NO

If “YES”, please give details of Association below:-

8. **OTHER FINANCIAL INTERESTS** – Does the Firm(s) or any Partner/Director undertake work for any partnership, company or organisation in which they are in a position to exercise a controlling interest in such a partnership, company, organisation? (Apart from shares held in Public Companies)

YES  NO

If “YES”, please state the name and nature of such organisation and outline the work undertaken by the Firm below:-

9. **SUB CONTRACTORS** – Is cover required for any independent Accountant or other party to whom work is sub-contracted?

YES  NO

If “YES”, please advise below:-

| Name | Qualifications | Fees Paid<br>(annual) | Nature of<br>Services they<br>provide to you | Do they have<br>their own PII<br>cover? |
|------|----------------|-----------------------|--|---|
|      |                |                       |  |   |

**10. GROSS FEE INCOME** – Please advise for the last three complete financial years:-

| YEAR   | AVERAGE FEE | LARGEST SINGLE FEE | TOTAL GROSS FEES |
|--|-------------|--------------------|------------------|
|  | £           | £                  | £                |
|  | £           | £                  | £                |
|  | £           | £                  | £                |
| <b>ESTIMATE GROSS FEE INCOME for the current Financial Year 200...</b> |             |                    | £                |
| <b>Date of Financial Year End</b>                                      |             |                    |                  |

**11. CLIENT PROFILE** – Please divide your gross fees for the last complete financial year between:-

| Fee Range             | Less than £15,000 | £15,001 - £50,000 | Over £50,000 |
|-----------------------|-------------------|-------------------|--------------|
| <b>No. of Clients</b> |                   |                   |              |
| <b>Total Fees</b>     |                   |                   |              |

**12. (a) OVERSEAS WORK** – Of your total gross fee income declared in Q10, if any such work has been carried out overseas (including in the Channel Islands or Isle of Man) during the last three years, please advise gross fee income and details below:-

| YEAR   | USA/CANADA | OTHER | COUNTRIES INVOLVED |
|--------|------------|-------|--------------------|
| 200... | £          | £     |                    |
| 200... | £          | £     |                    |
| 200... | £          | £     |                    |

|                                 |  |
|---------------------------------|--|
| <b>Types of work undertaken</b> |  |
|---------------------------------|--|

**(b) USA/Canada** – Do you provide services for companies with assets in the USA or Canada, or for any subsidiary of USA or Canadian companies located outside the USA or Canada?

YES  NO

If “YES”, please give details below:-

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|  |
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13. **ACTIVITY PROFILE** – For the last complete financial year please give an approximate division of Gross Fees between the following activities:- *(it is appreciated that there may be considerable overlaps between types of work)*

|  |      |
|--|------|
| <b>Audit, Accountancy and Company Tax, split between</b>               |      |
| <b>(i) Quoted Companies</b>  | %    |
| <b>(ii) Unquoted Companies</b>   | %    |
| <b>(iii) Others (including Farmers, Small Traders etc)</b>             | %    |
| <b>Personal Taxation Only</b>  | %    |
| <b>Management Consultancy</b>  | %    |
| <b>Computer Consultancy – please advise details of work</b>            | %    |
| <b>Secretarial and Share Registration</b>                              | %    |
| <b>Executorships and Trusteeships</b>                                  | %    |
| <b>Insolvencies, Liquidations and Receiverships</b>                    | %    |
| <b>Insurance, Building Society, Stock Exchange Commissions</b>         | %    |
| <b>Investment Advice (including pensions, unit trusts, bonds etc.)</b> | %    |
| <b>Directorships</b>   | %    |
| <b>Corporate Finance</b>   | %    |
| <b>Mergers, Acquisitions &amp; Disposals – (i) Quoted Companies</b>    | %    |
| <b>Mergers, Acquisitions &amp; Disposals – (ii) Unquoted Companies</b> | %    |
| <b>Bookkeeping/Payroll</b>   | %    |
| <b>VAT Returns</b>   | %    |
| <b>Other Work – please advise details</b>                              | %    |
|  | 100% |

14. (a) Under Q13 ACTIVITY PROFILE above – for any activities where you answered “Nil” please give details if you have undertaken such work in the last six years

- (b) Are any substantial changes in the percentages given under Q13 envisaged in the current financial year?

YES  NO

If “YES”, please give details:-

15. **TRUSTEESHIPS** – Does any Partner/Director or Employee of the Firm act as Trustee of any Trust?

YES  NO

If “YES”, please give details below:-

| Appointee | Trust | Trust funds under management | Gross Fees earned for the last financial year |
|-----------|-------|------------------------------|---|
|           |       |                              |   |

16. (a) **INVESTMENT BUSINESS** – Is the firm authorised to conduct investment business?

YES  NO

If “YES”, is the Proposer authorised to conduct such activity under a Designated Professional Body Licence or directly by the Financial Services Authority?

DPB  FSA

(b) Has the Proposer ever executed or given advice on pension transfers/opt outs/non joiners, FSAVCs, endowment mortgages, income draw downs, split capital investment trusts or precipice bonds?

YES  NO

(c) Has the Proposer undertaken in the last 6 years any Investment Management work, including but not limited to dealing in bonds, units, securities, tangibles or commodities, private client portfolio management or institutional fund management?

YES  NO

If YES to (c) or (d) please complete a Financial Services Supplementary questionnaire

17. **SERVICES TO FINANCIAL CLIENTS**

(a) Do you provide services to any of the following?

(i) Banks and other financial institutions YES  NO

(ii) Insurance Companies, Lloyd’s Syndicates or Funds (including Captive Insurance Companies) YES  NO

(iii) Any Off-Shore Companies YES  NO

If “YES”, please advise Client name(s), fee(s) and details of services provided below:-

|  |
|--|
|  |
|--|

(b) For any of the above mentioned clients, please advise details of any work carried out in the Channel Islands, Isle of Man or other “Off-Shore” tax advantageous territories below:-

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|  |
|--|

18. Do you have any clients in the Sports or Entertainment Industry?

If "YES", please provide details below of the identity of the client(s), the type of work involved and the annual fees earned from such work.

19. FIDELITY

(a) Does the firm always require satisfactory written references when engaging employees? YES  NO

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

If "YES", please advise circumstances and state limit below:-

(c) Do all cheques for more than £25,000 require two signatures? YES  NO

(d) Independently of employees who receive or bank monies belonging to the firm or others, how often are checks carried out on all cash book entries with paying-in books, receipts, counterfoils and vouchers and reconciled with bank statements?

WEEKLY  MONTHLY  QUARTERLY  IRREGULARLY

(e) Are employees receiving cash and cheques, in the course of their duties, required to pay in daily? YES  NO

(f) Past losses

(i) Has the firm sustained any loss through fraud or dishonesty of any person? YES  NO

(ii) Does the firm know of any fraud or dishonesty of any Present or former Partner/Director or employee? YES  NO

If "YES", please advise details and explain the precautions taken to prevent recurrence below:-

**20. CLAIMS AND/OR CIRCUMSTANCES – NB. details can be advised on page 9**

**PLEASE NOTE THAT IT IS IMPERATIVE TO ANSWER THESE QUESTIONS CORRECTLY, AS FAILURE TO DO SO COULD PREJUDICE YOUR RIGHTS IN THE EVENT OF A CLAIM ARISING IN THE FUTURE.**

**(a) CLAIMS**

– During the last ten years, have any claims, or circumstances which may have given rise to a claim, been made against the Firm(s) or predecessors in business or present or former Partners/Directors arising out of the activities of the Firm(s)?

YES  NO

If “YES”, please advise full details including amounts involved and settlement dates, where appropriate, below:-

|                           |
|---------------------------|
| <b>Claims Paid</b>        |
| <b>Claims Outstanding</b> |

**(b) CIRCUMSTANCES**

– Are any of the Partners/Directors, after enquiry, aware of any circumstances which may give rise to a claim against the Firm(s) or its predecessors in business or its/their present or former Partners/Directors?

YES  NO

If “YES”, please advise full details including amounts involved below:-

**21. CURRENT INSURANCE ARRANGEMENTS – Please advise:-**

| Limit of Indemnity | Excess | Premium | Insurer(s) | Renewal Date |
|--------------------|--------|---------|------------|--------------|
| £                  | £      | £       |            |              |

**(b) PREVIOUS INSURANCE - Has similar insurance for this Firm(s) or or any Partner/Director been declined, cancelled or had renewal refused?**

YES  NO

If “YES”, please advise details below:-



**22. QUOTATIONS REQUIRED**

|                           |                          |                          |                          |                          |                          |                          |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Limit of Indemnity</b> | £100,000                 | <input type="checkbox"/> | £250,000                 | <input type="checkbox"/> | £500,000                 | <input type="checkbox"/> |
| £1,000,000                | <input type="checkbox"/> | £2,000,000               | <input type="checkbox"/> | £5,000,000               | <input type="checkbox"/> | Other .....              |
| <b>Excess</b>             | £500                     | <input type="checkbox"/> | £1,000                   | <input type="checkbox"/> | £2,500                   | <input type="checkbox"/> |
| £5,000                    | <input type="checkbox"/> | £10,000                  | <input type="checkbox"/> | £25,000                  | <input type="checkbox"/> | Other .....              |

**DECLARATION**

**I/We declare that the previous statements and particulars are true and I/We have not suppressed or mis-stated any material facts.**

**I/We agree that this proposal, together with any other information supplied by me/us shall form the basis of any subsequent contract of insurance.**

**Signed:**

**Date:**

**For and on behalf of:**


PLEASE RETAIN A COPY OF THIS PROPOSAL FOR YOUR RECORDS.

COMPLETION DOES NOT BIND YOU OR INSURERS TO COMPLETE A CONTRACT OF INSURANCE.

**CLAIMS/CIRCUMSTANCES SUMMARY**

| Date Notified | Details of Claim or Circumstance                                    | Reserve | Payments made (including defence costs) | Open/ Closed |
|---------------|---|---------|---|--------------|
|               | <p>Claimant:</p> <p>Cause/Alleged Cause:</p> <p>Current Status:</p> |         |   |              |
|               | <p>Claimant:</p> <p>Cause/Alleged Cause:</p> <p>Current Status:</p> |         |   |              |
|               | <p>Claimant:</p> <p>Cause/Alleged Cause:</p> <p>Current Status:</p> |         |   |              |